

The Best Little Whorehouse in San Francisco—See page 21

INQUIRY[®]

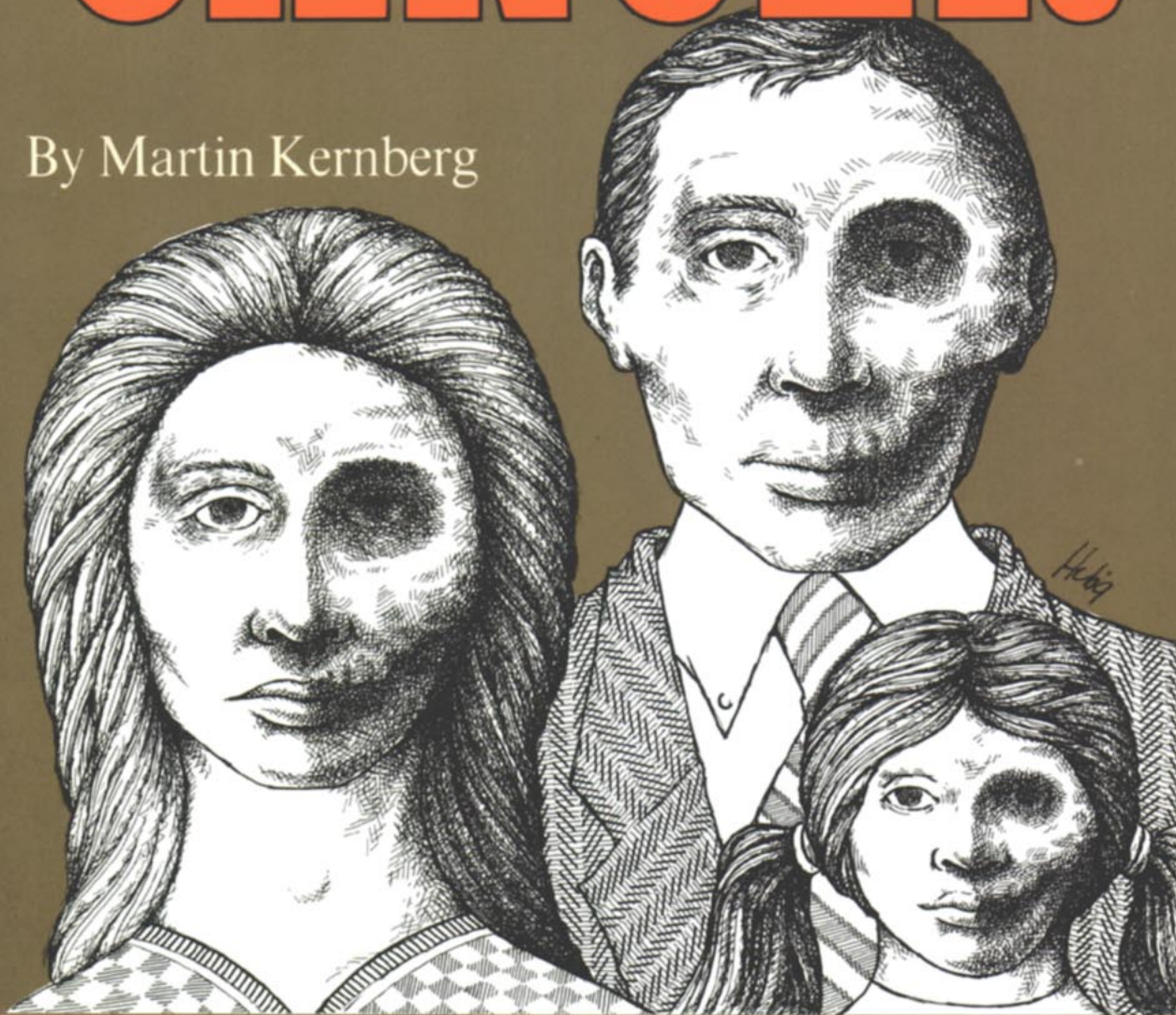
MAGAZINE

NOVEMBER 24, 1980 • \$1.50

WHY WE'RE LOSING THE WAR ON

CANCER

By Martin Kernberg



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INQUIRY[®]

NOVEMBER 24, 1980

Why We're Losing the War on Cancer

MARTIN KERNBERG

p. 13

The propaganda machine is running in high gear, staggering sums are being wasted, and innocent victims die by the hundreds of thousands each year. In fact, the 'war on cancer' turns out to be a lot like any other war.

Naked Came the Agent

WARREN HINCKLE

p. 21

Read all about it! National security whorehouse on Telegraph Hill! Drug-coated swizzle sticks in your local bar! But you'd better read as fast as you can—these stories may soon be classified.

COLUMNS & REVIEWS

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Counterfeit money; So long, LEAA.

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Politics p. 6

J. Edgar's man in the Klan. Remember the Birmingham church bombing, in which four children were killed? Remember Viola Liuzzo, the murdered civil rights worker? The Justice Department and the FBI (one of whose paid informers has been implicated in both) would prefer that you forget. (CHARLES LEWIS)

Dispatch p. 9

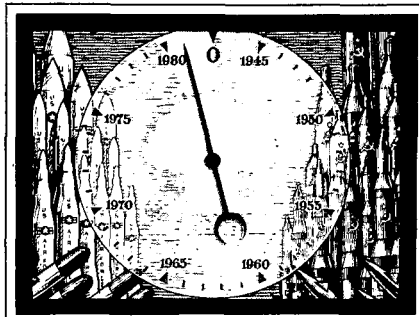
The friends of Michael Hand. The Nugan Hand bank went bust with a bang. One partner died with a .30-caliber rifle bullet in his head and William Colby's business card in his wallet. The other partner has disappeared. Whose money were they playing with, and why? (JONATHAN MARSHALL)

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Fred Kaplan on *Nuclear Nightmares*, by Nigel Calder; Jeff Riggenbach on *On Mencken*, edited by John Dorsey, and *A Choice of Days*, by H.L. Mencken; Julian Symons on *A Talent to Deceive*, by Robert Barnard.

Film p. 30

Stephen Harvey reviews Woody Allen's *Stardust Memories*.



Typography by MACKENZIE-HARRIS AND SOLOTYPE Cover illustration by DAN HURIG

INQUIRY MAGAZINE (USPS 439-090), Volume 3, Number 20, November 24, 1980. Published semimonthly except for January, June, July, and August, when monthly. INQUIRY is published by the Cato Institute, 747 Front St., San Francisco, CA 94111. Editorial and advertising offices: 747 Front St., San Francisco, CA 94111, (415) 433-4319. Second-class postage paid at San Francisco, CA, and additional mailing offices. Annual subscription price: \$15.00; single-copy price: \$1.50. Overseas subscription price: \$27.50 surface mail; \$50.00 airmail. Send subscription requests and address corrections to P.O. Box 693, Englewood, CO 80151. POSTMASTER: Send address corrections to P.O. Box 693, Englewood, CO 80151. Copyright 1980 by Cato Institute. ISSN No. 0148-5008.

A WORD FROM THE PUBLISHER

TEN YEARS AGO, PRESIDENT Nixon began laying plans for a federal assault on cancer, principally through a vast transfusion of funds to the National Cancer Institute. Close to \$7 billion later, deaths from cancer are at an all-time high, and there is little to suggest any progress in theory or treatment. In this issue, Martin Kernberg examines what has been called our "biomedical Vietnam." I think you'll find the evidence he presents on the ineptitude and waste in this program convincing. Even more important is what the failure of the NCI says about government action in general. Monopolization of resources, centralization of policy, rigidity of approach, top-heavy bureaucracy, and the forestalling of independent effort: These are the natural drawbacks of state action—in industry, education, and the arts, no less than in medical research.

RR

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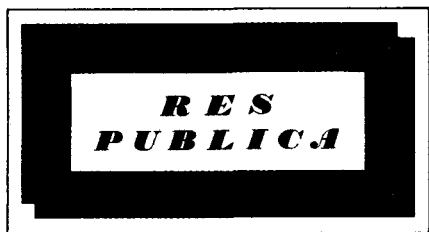
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DANA GIOIA, Poetry



Here's the leader of the club that's made for you and me

■ While it would, of course, be ridiculous to imagine J. Edgar Hoover sitting in front of his television set sporting a big-eared Mouseketeer hat, internal FBI files reveal that the late director was a close—and critical—viewer of the “Mickey Mouse Club.” . . .

[I]n 1957, a committee within the FBI approached Disney on the possibility that he might film a segment on the FBI laboratory for use on the “Mickey Mouse Club” show.

Hoover was outraged. . . .

In a subsequent memo, a Hoover aide explained the director's objection. “It is not felt that the ‘Mickey Mouse Club’ is the proper place to publicize this. . . . It comes on at 5:30 P.M. each weekday and is aimed at the ‘small fry.’ If we are going to do this, we should do it right, and try and get Disney to do a one-hour Disneyland show, which at present is at 7:30 P.M. on Wednesday night. This show has an adult and juvenile appeal.”

The obliging Disney agreed, and earned the following commendation in his FBI dossier: “Appears to be a very reliable individual and has been quite friendly with the FBI.”

—Jack Anderson in the *Washington Post*, Oct. 4, 1980

Up in smoke

■ Under a new program announced yesterday by the United States Customs Service and Florida Power and Light Company, marijuana seized in South Florida will be burned at the utility's Port Everglades power plant.

“Nobody has ever done this before, but we don't expect any unusual emissions,” said Mary Ann Linden, spokesman for the company. “We plan to run some tests before we go into a full blown burn.”

The experiment will provide savings for the utility and solve the Customs Service's problem of how to dispose of the confiscated drug. Bales of dry, cured marijuana burn so fiercely that they have damaged conventional incinerators.

—New York Times, Sept. 24, 1980

Say three Hail Marys, my son, and vote for Torquemada

■ I spoke of freedom. Am I free because I can see a pornographic movie, or sell one, or make one, or recruit my neighbor's daughter to perform in one? Is that freedom?

Christian political activists have another idea. They have the idea that it is the business of politics to ensure for men the freedom to do their duty. . . .

Men who believe in nothing beyond themselves and their ability to perfect the world are liberals by definition. It was inevitable that Christians should be in conflict with them. That is not because Christians necessarily are conservatives, but because liberalism is a sin.

—Gary Potter of *Catholics for Christian Political Action*, in the *New York Times*, Oct. 15, 1980



A stroll down memory lane

■ Vietnam is just a happy memory to many of the men who showed up [in Columbia, Missouri, for the Soldier of Fortune convention, sponsored by *Soldier of Fortune* magazine].

“I don't know what all the moaning about Vietnam was all about,” said Milford Tatrow, who fought in the Fox Two Five Marine company west of Danang. “I mean, there were good times and bad times, but for me the good times always outweigh the rest. It was the best time of my life. I'm just mad that I didn't get to stay long enough to finish my tour.”

He was sitting on the ground, his knuckles pressed to the grass in front of him to hold his balance. Mr. Tatrow has no legs. They were blown off by a mine on April 18, 1970, a “traumatic amputation,” in military language, while he was on his last patrol in Vietnam. Now he hops around on his hands. He doesn't wear the artificial legs that the Veterans Administration gave him; they make him feel like a cripple.

—New York Times, Sept. 29, 1980

Comrade Simonishvili sleeps with the fishes tonight

■ The Communist newspaper in the Soviet Republic of Georgia has called for tighter supervision over the use of copying machines after a party member was discovered making copies of Mario Puzo's novel “The Godfather.” . . .

The newspaper, *Zarya Vostoka*, said Abesalom Simonishvili had been expelled from the Communist Party and ousted from his job as supervisor of the duplicating room at a veterinary institute for reproducing and selling 120 copies of “The Godfather.”

—New York Times, Oct. 19, 1980

Coming soon—vinyl decals shaped like trains

■ [New York City] is spending \$50,000 to stick vinyl decals shaped like shutters, shades and flowerpots on the windows of abandoned buildings in a new program aimed at giving vacant eyesores “the occupied look.”

The decals, which cost about \$6 each, are being placed on the galvanized sheet metal that the city nails over the doors and windows of abandoned buildings in an effort to keep out vandals and drug addicts. About 100 vacant buildings will be included in the \$50,000 pilot program.

—Los Angeles Times, Oct. 10, 1980

■ Hundreds of workers have labored beneath the streets of New York City and the East River completing a \$160 million tunnel for the Long Island Rail Road that officials knew for at least five years would never carry a train.

No official of the Metropolitan Transportation Authority said he could recall why the order to stop work on the tunnel had not been given.

—New York Times, Oct. 11, 1980

Rescue team misses turnoff for Tehran

■ A six-man Army commando team, apparently trying to slip across the South Plains in a secret training mission, lost its bearings and wound up in a barn several miles east of its destination [in Brownfield, Texas], officials say.

The team had been instructed “to get in and out without notice,” according to officials. Instead the members were detained by sheriff's deputies and their pictures were displayed on the front page of the local newspaper.

—Washington Post, Oct. 2, 1980

How the Fed fuels inflation

Counterfeit money

EVERY FOUR YEARS, AS ELECTION TIME rolls around, news of the Federal Reserve Board moves forward from the financial section to the front page of your newspaper. And no wonder: Every presidential candidate knows that the Fed's actions will largely determine the health of the economy on the first Tuesday in November. Back in 1972, for instance, Fed chairman Arthur Burns won notoriety among Democrats and professional economists for his recklessly expansionist monetary policy, timed to enhance President Nixon's bid for reelection.

The 1980 campaign was no exception. With one eye on leading economic indicators and the other on the polls, President Carter showed an acute sensitivity to the fine points of Fed policy. In early October he rebuked the Fed for risking a recession (i.e., a Republican victory) by driving interest rates "too high." On the campaign trail in Pennsylvania, Carter warned, "Congress and I together would have ultimate authority to override some of the consequences of the Fed's decisions." Ronald Reagan and his advisers promptly jumped on Carter for playing politics with the Fed. But the Federal Reserve has always been a political instrument of Congress and the President, ever since its creation in 1913. And as one eminently sensible Carter strategist said, "Taking on a banker on interest rates is good politics for Democrats."

The irony of this incident is that many economists believe that Fed chairman Paul Volcker, a Carter appointee, was in fact giving the President a friendly boost. Far from squeezing the economy dry during the crucial summer months, he allowed the money supply to spurt forward, thus fueling a short-lived recovery around election time, much as Arthur Burns did in 1972. From July to September 1980, the basic money supply rose explosively at an annual rate of 17 percent. All this easy money prompted a favorable jump in "leading indicators," the signposts of economic change, for August and September.

So why did interest rates rise, leading Carter to warn the Fed against "restrictive" monetary policies? There are two reasons. First, businessmen know that when the economy is awash in new money inflation is not far away, as more money chases the same amount of goods and bids their prices up. Foreseeing a spurt in inflation, lenders raise interest rates in anticipation of being repaid in cheaper dollars. Second, borrowers know that the explosion in money won't go on forever, that once the election is over, the Fed will have to slow the economy down by a tight-money policy—just as Burns did in 1973. So they swarm onto the market while funds are still available, and in doing so, they drive the interest rates up further. Thus we get the seemingly paradoxical problem of a

simultaneous leap in money supply *and* interest rates.

High interest rates and inflation—this mess has been bequeathed to us by years of irresponsible and politically motivated policies at the Fed. We have been paying for this recklessness ever since the Fed agreed to collaborate with President Johnson's scheme to finance the Vietnam War by printing money rather than taxing us directly. That disguised the true cost of the war, and permitted successive Presidents to blame greedy Arabs, farmers, and natural disasters for persistent—and worsening—inflation.

Inflation is not the Fed's only legacy. The Federal Reserve is also responsible for generating economic cycles of increasing severity. Its attempts at "fine tuning" the economy have inevitably fallen victim to incomplete information and to its failure to appreciate the lags between its policies and their impact on the economy. Today money markets are increasingly volatile, interest rates surge and plunge, and accompanying booms and busts defy—indeed are caused by—the Fed's attempts to "manage" the economy.

Paul Volcker, who promised to adopt sounder monetary policies at the Fed, has played the same old game. Earlier in the year, Volcker became alarmed that the economy was heating up. In panic he slammed on the brakes and sent the money supply into an actual *decline* (not just a period of slower growth), thus risking a needlessly severe recession. Sure enough, gross national product in the second quarter of 1980 dropped a record 9.6 percent. By June the Fed had caught on to its error, and over the next three months went on a veritable binge of money creation, culminating in an extraordinary jump in the money supply in August and September that left bankers aghast.

The roller coaster effect of Fed policies is dizzying for all concerned. All Americans feel the effect of the nasty recessions that invariably follow the illusory booms that the Fed sponsors. Just as important, however, the Fed disrupts the economic calculations of businessmen and investors. It creates a climate of uncertainty that frustrates planning. How can a businessman make long-term investments, not knowing whether his returns down the road will be wiped out by a sudden burst of inflation? How can savings and loan associations lend for mortgages, tying up money for thirty years when interest rates are gyrating wildly? Business decision making is reduced to crapshooting rather than informed entrepreneurship.

So everyone must duck for cover as the Fed runs amok. The problem is not so much its lack of accountability—closer ties to Congress or the President would surely make the situation even worse, since politicians rarely show any long-term disposition to check their free-spending habits. What we need instead is a mechanism that takes money out of the hands of government mismanagers and returns it to the marketplace.

The market has already signaled what the solution should be. The two most salient financial facts of our time are the rapid demise of the dollar and the phenomenal rise in the price of gold. Millions of investors have sent a clear message to their government. Their flight from fiat money to gold is a profound vote of no confidence in the Fed's policies and in the U.S.

government's backing of the dollar. Americans are demanding a return to a stable unit of currency that cannot be manipulated to fit the whims and political ambitions of Presidents and chairmen of the Federal Reserve. While savings accounts erode under the tide of inflation, gold holds its value. Gold is the citizen's defense against the Fed's debasement of the dollar.

This election year, for the first time in memory, prominent economists began whispering that a return to the gold standard might not be such a bad idea after all. For too many years that solution has been a heresy, laughed at in the textbooks and denounced by economic technocrats as a straitjacket on public management of the economy. But a straitjacket is precisely what we need: The government and the Fed have had their chance and failed. □

Recession hits the crime industry

So long, LEAA

DEATH HAS COME TO THE LAW Enforcement Assistance Administration. Twelve years ago the LEAA was established by the Johnson administration to gird up and coordinate the nation's far-flung and increasingly ineffective anticrime agencies. In those twelve years it spent over \$7.5 billion. And crime flourished. Victims of crime proliferated, as did the numbers of Americans who earn their living from some part of the crime industry. The LEAA appears to have been one of the more dismal—and costly—failures in the annals of modern government.

Critics of the LEAA, like Representative John Conyers of Michigan, had long called for its elimination. They cited its patent inability to "reduce crime" and its lack of public accountability. Said Conyers at the agency's demise, "The bureaucratic failures were compounded by the cynicism and arrogance with which LEAA was operated." Conyers has a distinguished record of pointing out the failures in the American criminal justice system and chronicling the abuses of the police. But his criticisms of LEAA fail to comprehend the mission of that federal agency—or of government anticrime campaigns throughout the last 150 years. The LEAA was really a remarkable success.

The LEAA was never in the business of eliminating crime. Nor was the FBI. Nor the Drug Enforcement Administration. Nor the Bureau of Prisons. The LEAA, like most of its predecessors in the history of American crime control, was created to *regulate* the criminal behavior of the country's malfasants, the result of which has been to expand, promote, and refine the industry of crime, an industry which *Forbes* magazine recently reported was the largest and most profitable set of enterprises in America. Never has the LEAA or any of its predecessors addressed the challenge of eliminating crime, for to do so it would have been forced to make a fundamental critique of the social, cultural, and economic roots of crime in American society and to acknowledge how the government manipulates these conditions to maintain control of the political system.

One of the best modern examples is the entire field of victimless crimes; the government arbitrarily labels some harmless act like prostitution or drug-taking a crime, and thus creates millions of criminals with a simple flourish of the pen.

Additional police and judges and prisons must be created to hold these criminals, thus expanding the crime-control job market, not to mention the power and influence of crime-control bureaucrats. When it comes to enforcing the law, it's done selectively; one rarely reads of the police bursting into some Park Avenue apartment to arrest a \$500-a-night callgirl and seize her customer's cocaine stash, but that happens every night in Harlem.

If any of this has anything to do with *stopping* crime, the evidence has been successfully sequestered. Indeed, eliminating crime would also eliminate the frightening specter of recurring "crime waves," which the government has always used to justify its crackdowns against dissenters—be they Quaker entrepreneurs who threatened the Puritan theocracy; certain swarthy immigrants of the Prohibition era who, it was believed, were corroding the purity of American cultural and political life; or the black people, antiwar demonstrators, and other ruffians who so alarmed Nixon and Wallace in the late sixties.

So it was with the Law Enforcement Assistance Administration, which, it will be remembered, was created in 1968, at the height of intense political and racial agitation when "law and order" were code words for taking care of the radicals. That era of agitation is largely behind us now, the war has ended, and the hippies have gone to work on Wall Street. And in a quieter time, the LEAA's apparent failings have become more obvious. For example, two years ago the General Accounting Office (GAO) issued a scathing report in which it said that the LEAA lacked accountability at all levels; that it initiated over 100,000 projects that were at best wasteful, and were frequently illegal; and that it gave birth to a vast new bureaucracy of "criminal justice planners."

The report concluded: "At this time, it would not be possible for GAO—or any other group for that matter—to determine whether the LEAA program, overall, has had any measurable impact upon preventing, controlling, and/or reducing crime and delinquency, or improving the performance of the criminal justice system."

Throughout the agency's history, its critics argue, money was simply flushed down the rathole of bureaucratic incompetence. Indeed the rathole had grown into a catacomb by 1975, when the agency went through some \$895 million—spent on such vague categories as planning, technical assistance, educational assistance, research, data systems, and statistical assistance. At first almost 80 percent of the money went to police departments—and the lion's share of that for hardware. Toward the end the LEAA was spending almost as much on courts and prisons as it was on cops, but the crime statistics continued to worsen.

The trouble with all these criticisms is that they confuse crime elimination with crime management. The relationship between criminals and the police is a symbiotic one which can only be understood as a distinctive industry made up of people whose livelihood depends upon its continuation. Wittingly or not, the LEAA's chief contribution to the crime industry was to expand employment in crime control rather than to eliminate the industry altogether. It fueled the sale of weapons, it propelled research into "police science" to unheralded levels as it did the training of police forces, and it was the single most important agency in the nationwide campaign to insert more and more layers of "management" into local, state, and federal police forces.

In expanding the crime control system, the LEAA has been an unparalleled success. The failure is with its critics, who insist on speaking of stopping crime and creating justice. □

LETTERS

Letters to the editor should be addressed to INQUIRY Magazine, 747 Front St., San Francisco, California 94111. The editors reserve the right to edit letters for length when necessary.

We could have won

YOUR "THE NOBILITY OF Napalm" editorial [Oct. 6] is an extremely slanted and simplified article of yellow journalism. No credit line is given, which gives the impression *INQUIRY* takes full responsibility.

Whether you agree with Ronald Reagan's "noble cause" statement or not, it is simple to note had our involvement been handled differently, with a "win" attitude, perhaps there would have been fewer American and Vietnamese casualties. Further, My Lai may never have occurred, Agent Orange may not have been used, our defense budget would have been less, napalm manufacture would not have been profitable and the CIA would not have practiced extermination.

Your readers deserve more depth of intelligence than such an ambiguous article infers.

ROBIN W. PIZANTI
Daly City, Calif.

Unsigned editorials in the front of the magazine do indeed represent INQUIRY's position.

—EDITORS

The Front

NICK THIMMESCH'S ARTICLE on Lebanon's Major Saad Haddad and his "Christian militiamen" [Oct. 6] was not as biased as your editorial interpretation of it. It is conceded by you, however, that the "Lebanese Christians" are, in fact, Lebanese. Of course, the Palestinians, United Nations, and Syrians cannot make the same claim.

As I understand it, libertarian principles state that those who are aggressed upon may properly use force in return. Your editorial interpretation violates these principles. If Lebanon "bleeds," it is the PLO and the Syrians who have done it—not the Israelis.

The name of your street appears more appropriate at second glance. Having

contributors from the *Chicago Lawyer* and ads from the "Committee for Public Justice" are good clues as to who may be in "back" of your operation.

SHELLY WAXMAN
Chicago, Ill.

Romanticizing Tibet

TORY STEMPEL'S RELIANCE on refugees and the chief of the dalai lama's Office of Tibet in New York in his case [Sept. 22] on the awfulness of life in Tibet under Peking is akin to checking out the state of things in the new Republic with Tories who fled to Canada after the American Revolution.

If Stempel's dark picture is as accurate as his statement regarding the "Cultural Revolution that lasted into the late 1960s," it must be taken with several grains of salt. Longtime dalai watching may have clouded his view. The Cultural Revolution began in 1966, had a number of stages, and ended in 1976.

Concern for human rights in Tibet is praiseworthy, though nothing was heard about its well-being before the "reds" took over in Peking. Apart from a romantic flurry brought on when Ronald Colman made it beyond the *Lost Horizon*, the West was not interested until the People's Republic made its appearance and Tibet was no longer under our good friend Chiang Kai-shek.

Stempel labels as snow jobs Western correspondents' writing that Tibet had been a lamaist theocracy, that there were no roads or industry and no schools or medical care outside the monasteries, and that the bulk of the population were impoverished serfs. Before 1950, he assures us, the Tibetans were poor and comparatively free. The fact is Tibet's population was declining because of disease and impoverishment—more Tibetans lived in Chinese provinces outside Tibet than in Tibet itself.

The Tibetan theocracy was an anomaly which inaccessibility alone preserved into the 1950s. Absolute feudalism prevailed and most people were held in serfdom. The lamas and nobility owned nearly all the land, livestock, and other wealth. Fear of devils and hellfire for the impious combined with barbaric torture and death for fugitives from the system kept the population in subjugation, as in

other feudalism.

The above paragraph is what Edgar Snow wrote in 1960. Stempel obviously will dismiss him as another of those misled foreign journalists, while continuing to carry the ball for the former serf-owners and rulers of Tibet.

JULIAN SCHUMAN
San Francisco, Calif.

Banking on Chrysler

GOVERNMENT RESCUE OF Chrysler has occurred to save neither jobs nor votes, as you imply in your article "Chrysler's bail-out blues" [Sept. 22]. Chrysler is in debt to certain banks. After taxpayers pay off that debt, Chrysler will expire. United States Treasury Department rescue of Chrysler is an operation of the bankers, by the bankers, for the bankers.

We made two mistakes in 1916. We allowed our Constitution to be "amended." Until that tinkering changed our agreement with our rulers, income tax was illegal. And we allowed a private organization called "the Federal Reserve System" to hook itself directly into the United States Treasury Department. The hook is skillfully designed to be elaborate and purposefully complex so as to confuse and intimidate anyone who would question the arrangement.

Simultaneous appearance of income tax and Federal Reserve banks was no accident. They were engineered by the same people, to the same purpose. We are under their control. They control our money. They intimidate us with their re-creation of a debtors' prison such as our grandparents escaped when they left the old country. Income tax unpaid they defined to be a violation of criminal law. Any other debt unpaid is a violation of civil law.

Milton Friedman says we should be "Free to Choose," and Robert Ringer has called for "Restoring the American Dream." We will be free to choose and we can start restoration of America when we accomplish two things. The Federal Reserve System must be burned to the ground, and the Sixteenth Amendment must be thrown into the fire.

JACK D. DENNON
Warrenton, Ore.

CHARLES LEWIS

J. Edgar's man in the Klan

ON SEPTEMBER 4, 1980, Howell Raines, Atlanta bureau chief of the *New York Times*, opened a letter from Southern Bell in Atlanta. Only then did he learn that three months earlier, his personal home telephone records and the entire bureau's toll records had been subpoenaed by the Criminal Division of the Justice Department. At the request of the department, Southern Bell had delayed for ninety days before even notifying the *Times* or Raines that the records—covering the period from October 1978 to March 1979—had been seized.

The ostensible rationale for the subpoena was a federal grand jury in Washington investigating whether a department employee had leaked a secret report. But the real issue was the report itself, not the logistics of how its contents were made public.

The controversy began in July 1978, when the *New York Times* and ABC News revealed that Gary Thomas Rowe, one of the FBI's chief informers in the Ku Klux Klan, had committed several acts of racial violence in the South in the 1960s. Reporters cited his role in beating Freedom Riders in 1961, bombing a Birmingham church in which four girls were killed in 1963, and the fatal shooting of Viola Gregg Liuzzo, a civil rights worker from Detroit, in 1965.

For the Justice Department and the FBI, the revelations could not have come at a worse time. The Senate Judiciary Committee was conducting hearings on the relatively weak guidelines proposed by the bureau for its use of informers. The Justice Department official testifying on behalf of those guidelines was none other than Philip B. Heymann, head of the Criminal Division, who later authorized the subpoenas. Much of the

CHARLES LEWIS is a reporter for ABC-TV in Washington.

questioning of Heymann on July 12, 1978, was about what he least wanted to discuss—the nefarious activities of informer Rowe. Public pressure was mounting on Justice and the FBI to explain Rowe's actions and to assure the inquiring senators that at the very most this informer was a lone aberration among the many thousands employed in the past.

On the day of Heymann's testimony, Senators Edward Kennedy and James Abourezk sent a joint letter to the attorney general, stating that the Senate Judiciary Committee was "intensely interested" in receiving a full report about Rowe's activities.

On October 24, 1978, Attorney General Griffin Bell created a special task force in the department's Office of Professional Responsibility to investigate (1) whether FBI personnel acted properly in handling Rowe, (2) whether Civil Rights Division attorneys, in their federal case arising out of the Liuzzo murder, were aware of Rowe's unreliability, and (3) whether Rowe in fact was responsible for the death of Mrs. Liuzzo.

The Attorney General got the group's 302-page report in July 1979, but the department refused to release it. The official reason was that it might prejudice the impending trial of Rowe for the Liuzzo murder. (Two months after ABC

marizing the Rowe report, which had been leaked to him. Parts of the report were nothing short of astounding, and government resistance to its release suddenly became more understandable. The report was to have been an examination of Rowe's activities, but some of the most dramatic disclosures concerned the activities of others, including then FBI Director J. Edgar Hoover.

On September 15, 1963, a bomb ripped through the basement of the 16th Street Baptist Church in Birmingham, Alabama. Four black children were killed and others were maimed for life. The church bombing caused the largest number of deaths in a single incident in the civil rights struggle in the South. It was also one of the FBI's most intense, high-pressure cases. Eventually, at the urging of President Kennedy and then Johnson, more than 240 special agents were detailed to Birmingham.

On two occasions Hoover actually blocked prosecution of four Klansmen suspected by agents as the bombers. The FBI director ordered that the U.S. attorney and local prosecutor not be told of breakthroughs in the investigation. Hoover never passed along the full account of the bombing to his Justice Department superiors.

By late 1964, the FBI had eyewitness testimony from three people who said

His agents thought they had found the Birmingham bombers, but Hoover blocked prosecution.

News charged that Rowe himself had fired the bullet that killed Viola Liuzzo, a grand jury in Lowndes County, Alabama, indicted him for her murder.) The unofficial reason for the report being withheld was that its release could result in a tightening-up of the rules in the proposed FBI charter that will govern the use of informers.

AFTER SEVEN MONTHS OF suppression, someone in the government balked at what was coming to have all the earmarks of a cover-up. In the five years since the creation of the Office of Professional Responsibility, never has a report been publicly assigned and then totally suppressed—not even released in a censored version.

In February 1980 *New York Times* reporter Raines wrote two stories sum-

that they saw four men near the church roughly eight hours before the explosion. The Birmingham field office had four identified suspects and recommended prosecution, but Hoover disagreed on the grounds that successful prosecution would be unlikely. According to Raines's accounts of the Rowe report, five months later the Birmingham office again sought prosecution. The FBI's special agent in charge argued to Hoover that the case should be tried in an Alabama state court "due to the climate of public opinion favoring prosecution." That statement, given the racial antagonisms in Birmingham in 1963-64, is a vivid commentary on the level of white outrage over the bombing. But again Hoover blocked federal prosecution and prevented any distribution of the findings to other jurisdictions.

No federal prosecution ever took place. In 1977, fourteen years after the explosion, one of the Klansmen, Robert Chambliss, was convicted of murder in state court. In gaining the conviction, Alabama prosecutors presented less direct evidence than was available to Hoover in 1964 when he overruled his own agents and blocked prosecution.

FBI informer Gary Rowe helped assault the Freedom Riders, then got a \$125 bonus.

The other three Klansmen, alleged accomplices, have never been indicted.

THE ROWE REPORT RE-vealed that two paid FBI informers, members of the Klan, with an almost pathological penchant for violence, were either directly involved in the planning or had foreknowledge of the church bombing.

John Wesley Hall, known in the Klan as "Nigger" Hall, became an FBI informer two months after the children were murdered. He was in fact a fifth suspect in the crime. At the time of his hiring, Hoover and others in the bureau knew that Hall had (1) "undoubtedly participated in some of Birmingham's minor bombings," (2) taken a lie detector test that indicated he "has knowledge of the bombing of 16th Street Baptist Church and may have participated in some ways in the bombing or the planning thereof," (3) transported for Chambliss the dynamite used to blow up the church, (4) volunteered to assassinate the Reverend Fred L. Shuttlesworth, the city's leading black civil rights leader, and (5) been part of an aborted plan to blow up an integrated Holiday Inn in Knoxville, Tennessee.

The Rowe task force found no record in FBI files of agents ever advising Hall not to participate in violence. His termination as an informer was never discussed. Finally, there is no evidence that anyone ever even considered prosecuting Hall himself for the bombing.

Both Hall and another informer believed Gary Thomas Rowe was in some way involved in the church bombing, and, at the very least, "had knowledge" of the crime. Hall believed Rowe was actually planning the violence he was paid to monitor, and told the bureau that in 1963, the year of the bombing,

Rowe was one of three members of the Eastview Klavern 13 Klokkan—the security committee of the Klan cell that Rowe had infiltrated. According to Hall, "any violence which came from Eastview Klavern 13 would have to be okayed by all three of the individuals," including Rowe. Yet during the FBI's exhaustive field investigation, Rowe,

who had been on the government payroll for two and a half years at the time of the bombing, was never investigated for his role in the crime.

When Alabama authorities reopened the church bombing case in 1977, Rowe voluntarily took two polygraph tests about his role in the incident. In both tests, from two different examiners, Rowe indicated deception when he denied being with the men who placed the bomb. The polygraph results are not mentioned in the Rowe report.

Much of the Rowe report is devoted to a description of the Freedom Rider incident on Mother's Day, May 14, 1961, when members of the Congress of Racial Equality (CORE) were brutally assaulted at the Trailways bus station in Birmingham.

The Rowe task force found that "of the hundreds gathered for the CORE bus arrival, Rowe was one of the handful most responsible for the violence at the bus station." Bureau officials from Hoover down knew well in advance that the Birmingham police and the Klan, with Rowe as go-between, were planning to ambush the Freedom Riders.

Despite undeniably strong, even photographic evidence of Rowe's involvement in the bloody melee, Hoover and the FBI field office in Birmingham approved a \$125 bonus for Rowe "for services rendered" plus \$50 for expenses, explaining that "the information furnished by [Rowe] has been most valuable."

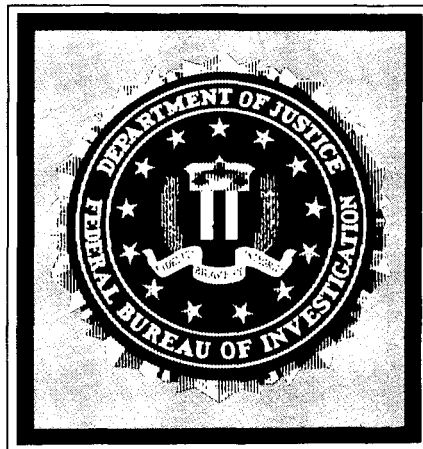
By the time the Reverend Dr. Martin Luther King Jr. led the famous voting rights march from Selma to Montgomery in March 1965, Rowe's FBI files were bulging with examples of his direct and often instigating role in acts of violence. For example, Rowe told the bureau he had killed an unidentified black man in

a 1963 race riot in Birmingham. The bureau never investigated the matter.

THE ROWE REPORT IS weakest on the subject of the Viola Liuzzo murder. The white civil rights worker from Detroit was a medical technician and mother of five children. Ferrying marchers between Selma and Montgomery, she was slain by shots fired from an ambushing carload of Ku Klux Klansmen along a desolate stretch of highway in Alabama.

Her murder shook the nation. Many observers consider it to have been instrumental to the enactment of the landmark Voting Rights Act. Less than twenty-four hours after the murder, in an unprecedented action, an incensed President Lyndon Johnson, standing with Attorney General Nicholas Katzenbach and Director Hoover at his side, announced on live television that the FBI had apprehended Mrs. Liuzzo's four killers. But Director Hoover and the FBI looked as good as they did only because of informer Rowe's physical presence in the night riders' car.

In the subsequent months, Rowe testified against the other three Klansmen in two state murder trials and a federal conspiracy trial. He was the star prosecution witness. None of the Klansmen ever testified, for fear that in rebutting



Rowe's version they would place themselves at the scene, in the car, thereby incriminating themselves. Although acquitted of murder charges in state courts, the three Klansmen were convicted in a federal court of conspiring to violate Mrs. Liuzzo's civil rights and sentenced to ten years in prison. For his work, Rowe received a \$10,000 bonus and a job in law enforcement—as a deputy U.S. marshal in San Diego.

In 1978, at ABC's prompting, the two surviving Klansmen talked for the first time, independently of each other, about

the murder. Both accused informer Rowe of firing the fatal bullet. Rowe repeated his version of the murder. The network commissioned voluntary lie detector tests of all three men by two well-known polygraphists, Benjamin Malinowski and Victor Kaufman. The two Klansmen passed their tests; informer Rowe showed deception when he said he did not kill Mrs. Liuzzo. The two Klansmen later testified before the grand jury that indicted Rowe for the Liuzzo murder.

The FBI accepted in toto informer Rowe's account of the slaying, never suspecting his possible culpability, and certainly never investigating his role. Fingerprints weren't even taken from the murder weapon, a routine procedure. When state prosecutors queried Rowe in preparation for the murder trials, they were given only limited access, allowed to ask only limited questions. In one of the state trials a state trooper, who had routinely stopped the night riders' car an hour and a half before the murder, testified that Rowe was in the right rear of the car, the spot from which the murder weapon was fired. Two people have given sworn depositions and testified before an Alabama grand jury that, within

days of the shooting, they heard Rowe brag that he had been the one who killed "that white whore from Detroit."

The Rowe report makes no mention of the startling ABC polygraph results and, perhaps because of the impending murder trial, states no conclusion as to who killed Viola Liuzzo. It does admit that Rowe's account of Mrs. Liuzzo's death has "jarring discrepancies," and

Witnesses heard Rowe brag that he had killed the 'white whore from Detroit.'

admits that the FBI and Justice Department never suspected Rowe fired the fatal bullet.

TODAY THE UNRELEASED Rowe report and Howell Raines's articles about it continue to generate controversy, as does Rowe himself. For two years he has succeeded in avoiding extradition from Savannah, Georgia, to Alabama. He has brought a civil action against the state of Alabama and several individuals.

Attorneys for the family of Viola Liuzzo have brought a \$2 million civil suit against the government for her death. Their case stems from Rowe's involvement. Federal District Judge Charles Joiner in Detroit has tentatively set the trial for January 1981. Twice in 1980 the government filed motions to dismiss. The first motion, arguing that the two-year statute of limitations had expired, was denied. The Liuzzo lawyers argued that knowledge of Rowe's violent attack on Freedom Riders and other illegal activities did not become known until he was compelled to testify publicly before the Senate Intelligence Committee in 1975. The judge concurred.

In the second motion to dismiss, attorneys for the Justice Department argued that the FBI had no obligation to protect Mrs. Liuzzo, that it is exempt under the Federal Tort Claims Act for assaults committed by its agents and employees, and that paid informers are not employees and therefore the government is not responsible for their actions. Although a decision on the motion is still pending, Judge Joiner observed during a mid-September hearing that "Some-

where along the line, it's wrong for the Government to hire somebody that it knows is going to cause all kinds of damage—without paying for it later."

The case could well be precedent-setting, addressing the degree of government responsibility for acts committed under its policies and directives. It could have far-reaching implications for the government's extensive use of informers.

And as yet another session of Congress comes to an end without enactment of even a weak FBI charter, the case could prolong the commotion over the Rowe report. Under discovery, the ACLU has received thousands of pages of FBI and Justice Department documents relevant to Viola Liuzzo and her murder—supposedly every document that exists, except the Rowe report.

Jobie Bryan, the Alabama prosecutor whose grand jury indicted Rowe for the Liuzzo murder, has repeatedly requested the Rowe report from the Justice Department, with the predictable response.

In July 1978, during his testimony on the use of FBI informers vis-a-vis the proposed FBI charter, Philip Heymann responded to Senator Edward Kennedy on the subject of Gary Thomas Rowe: "I do understand your concern that we conduct the entire investigation so that there can be no question whatsoever of a cover-up. I do not think there is any question, but I agree that there must not even be any appearance of a question."

THE REPORT IS STILL being withheld. It has not even been given to Senator Kennedy and other Judiciary Committee members and staff in a summary or sanitized version.

And evidently the Justice Department is more interested in punishing whoever leaked the report than in accounting for its own misdeeds. The confiscation of the Southern Bell telephone records was the first such search-and-destroy mission since the early 1970s, when the Nixon administration seized the records of calls made from the Washington bureaus of the *New York Times*, the *St. Louis Post-Dispatch*, and the Knight-Ridder newspaper chain, and the office of columnist Jack Anderson. All had published articles embarrassing to the Nixon administration.

That such tactics have resurfaced is alarming, to say the least. The one consolation is to imagine the looks of shock on the faces of smug Justice Department officials when they saw the uncensored contents of their secret report on the front page of the *New York Times*. □

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JONATHAN MARSHALL

The friends of Michael Hand

MICHAEL HAND WAS tough. He could take the heat. Highly decorated for bravery in Vietnam, he boasted, "I'm frightened of nothing. I've killed men from behind a machine gun while under fire and outnumbered." But even Hand had to admit that Vietnam "was nothing compared to the mess I've been left with to clean up this bank." Frank Nugan, his partner at the Nugan Hand bank in Australia, had been found with his bullet-riddled brains splattered all over the inside of his car. Nugan had departed from this world leaving the bank with millions in debts and unrecorded transactions. As Australian commonwealth police, Royal Commission investigators, and agents of the CIA, FBI, and U.S. Customs began sniffing around, ugly rumors began to surface about the bank's ties to prominent politicians, to drug runners and mobsters in Australia and the United States, and even to the CIA. It was time to run. Hand ran.

Built like a linebacker, Michael Hand was a wholesome, all-American boy. He studied forestry at Syracuse University, then worked briefly as a teacher in Los Angeles. In 1965 he went off to fight in Vietnam. He served in the army Special Forces, whose exploits included secret missions for the CIA into North Vietnam, Laos, and Cambodia. It was then, perhaps, that he made the first of a long string of less than savory friendships. In a rough war, Hand's buddies were the roughest of the lot. Hand won the Distinguished Service Cross for rescuing his commanding officer during a savage firefight in the highlands of central Vietnam.

Hand left Vietnam in 1968 to settle in

Sydney, where he and other American soldiers had so often gone for "rest and recreation." Young and ambitious, he soon teamed up with an equally hungry Australian, Frank Nugan. The son of a Spanish migrant who made good in the food-packing business, Nugan took a law degree at the University of California at Berkeley. His easy, ingratiating manner could "charm the pants off anybody," one of his American business associates recalls. Equally important, he relished the "open combat" of the business world and wouldn't shirk a good fight. The two men were made for each other.

In 1970 Nugan and Hand went into partnership as investment advisers. Most of their clients were current or former American servicemen whom Hand had met in Vietnam or in Sydney bars. Together the pair made a bundle in land and mining speculation during the boom of the early 1970s. Before the boom turned to bust, they took their profits; in 1973, with an eye to international markets, where business was still good, they organized the Nugan Hand merchant bank. From a small beginning, the turnover reportedly skyrock-

eted to more than one billion dollars (U.S.) in 1977—a most impressive record, even if that didn't put the bank in the ranks of the true giants.

By that time, Nugan Hand could boast of a truly international presence, with a base in the Cayman Islands and branches or offices in Hawaii, Washington, D.C., Chile, Argentina, Germany, and throughout the Far East. Toward the end of 1979 it began negotiations to purchase another bank in Miami. But always there was an aura of mystery to this "very private" bank, as Michael Hand called it. The bank didn't deal with just anybody, explained Frank Nugan, but only with "a very narrow segment of the market, the elitists who have a requirement to get involved on a personal basis, who like to relate to a face more than just the business."

This cloak of privacy began to come apart, however, in May 1978, when the attorney general of New South Wales issued warrants for the arrest of Frank Nugan and his brother Ken. They were accused of conspiring to defraud shareholders of Ken's vegetable packing firm by illegally manipulating the company's annual meeting in 1977. A Sydney



CHRIS HANSEN

JONATHAN MARSHALL is an associate editor of *INQUIRY*.

magistrate assigned a hearing date for the case in May of this year.

But the prosecutors never got to hear Frank Nugan's story. On January 27, 1980, he was found on a lonely back-country road, slumped over in his Mercedes-Benz sedan, shot through the head by a .30-caliber, high-powered army rifle. In Nugan's wallet police found the business card of William Colby, former director of the CIA.

WAS IT A SUICIDE? THE coroner thought so, but not an insurance company attorney, who provoked a most unusual dispute at the official inquest by suggesting that a suicide "would have to be a contortionist to receive the head wound while in that position." The dead man's fingerprints were not found on the rifle. Then there was the strange fact that a Sydney company with which he had once done business had continued a life insurance policy on the young and healthy banker. The company stood to gain \$1 million from his untimely death.

Frank Nugan may have been young and healthy, but it soon became apparent that he was no Boy Scout. His partner Michael Hand revealed at the inquest that Nugan had fraudulently misappropriated "a vast sum of money" from the bank without Hand's knowledge. On top of that, he had loaned out \$3 million to persons and groups unknown. Finally, Hand discovered that his unscrupulous partner had tried to blackmail the attorney general of New South Wales into calling off his investigation of the Nugan brothers.

Michael Hand's own situation, however, was even more desperate than he first let on. Court-appointed liquidators for the bank hinted that as much as \$40 million was unaccounted for. State investigators uncovered a massive tax avoidance scheme that Frank Nugan had engineered on behalf of wealthy clients—principally Australians and overseas Chinese, who used the bank's international branches to hide their assets. And perhaps most ominous, the same investigators began looking into the theory that the CIA had used the bank to launder millions of dollars in Australia for political subversion. Through it all, one odd fact stood out: Remarkably few of the bank's creditors chose to step forward to recover their funds. The apparent reason was that Nugan Hand had specialized in processing "black" money.

Michael Hand decided not to stick around to pick up the pieces. After all, he

could blame only so much on his late partner. He fled the country to parts unknown, perhaps South Africa or the United States. (He still held a United States passport, although he had Australian citizenship.) Australian police alerted Interpol, but to this day his whereabouts remain a mystery. "I doubt if we'll ever see Michael Hand

incorporated an investment company, Australasian and Pacific Holdings, Ltd., whose stated aim was to develop an international resort and "adventure club" on the Great Barrier Reef. Its stockholders shared an unusual background. Four of them worked for Air America, the notorious CIA proprietary airline that ran men and supplies into Laos and

'Bill Colby and Congressman Bob Wilson,' read the slip of paper in the dead man's car.

again," says one of his close colleagues. "He's either dead or has gone into hiding abroad, never to return."

Since Michael Hand absconded last June, the mystery surrounding the bank has only deepened. Bits and pieces of evidence have surfaced to indicate that Nugan Hand prospered on the edge of a netherworld of drugs, organized crime, and international intelligence. If the whole story is still far from clear, the outlines are beginning to take shape.

The specter of CIA involvement arose the moment police discovered William Colby's card in Frank Nugan's wallet. Colby, now a lawyer in Washington, D.C., vigorously denies any connection between the agency and the bank. "I did some legal work for Nugan—and that's all," Colby declines to elaborate, citing the attorney-client privilege. But investigators found another intriguing slip of paper in Nugan's car that read: "Bill Colby and Congressman Bob Wilson." Wilson, a Republican from San Diego, had met Michael Hand during a trip Wilson and four other congressmen took to Australia early in 1980 in order to inspect the top-secret U.S. intelligence base at Pine Gap.

MICHAEL HAND'S OWN past is curious. He claimed to have entered the Special Forces in 1966 as a private, but the Green Berets accept no privates. That plus some mysterious gaps in Hand's official military record raise the possibility that Hand really worked for the CIA. One Washington source claims that Hand served in Colby's Vietnam-era Phoenix program, a CIA campaign to assassinate civilians who sympathized with the Viet Cong.

In 1969, having left Vietnam, Hand

more than once ran opium out. Under CIA auspices, Air America became the largest cargo carrier in the world. Several other stockholders worked for Continental Air Services, a similar airline that contracted with the CIA for service in Vietnam and Laos.

Nugan Hand itself recruited heavily from the ranks of spooks, especially in its later years. Its Manila consultant, General Roy Manor, helped produce the CIA's post-mortem on the failed Iranian hostage rescue attempt. Its Taiwan representative, Dale Holmgren, had been Taiwan flight services manager for Civil Air Transport, the parent of Air America and indeed of all the CIA airlines. Then there was Walter McDonald, a Nugan Hand consultant and operator of its Annapolis office. McDonald, a professional economist, for a long time directed the CIA's energy analysis section. He joined the bank in July 1979 to do loan feasibility studies, he says, and to straighten out the bank's books. It was McDonald who introduced Frank Nugan to William Colby. And McDonald, in turn, met Nugan through Guy Pauker, listed in bank records as one of its American representatives. Pauker, an Asia consultant to the CIA and other government agencies, played a key role in developing the scenario for the 1965 Indonesia coup.

So many of the bank's staff had served in Vietnam that Australian bankers referred to them as "the Green Berets." Some had served in more exalted posts. Two Vietnam-era associates of Colby, Admiral Earl Yates and General Edwin Black, came aboard the bank in 1977. Admiral Yates, as chief of staff for plans and policy for the U.S. Pacific Command, was responsible for the general war plan for the Pacific and Indian

oceans and supervised the military assistance program for the Far East during the Vietnam War. He met Frank Nugan in Australia in the mid-1970s, and was carried away by Nugan's charm and apparent rectitude. "I thought Frank Nugan was very, very honest and straightforward and a Christian gentleman," he recalls. (Nugan was indeed religious. Beside his corpse police found his Bible, with a note: "Visualize 100,000 customers worldwide. Pray-erize, actualize.")

Yates refuses to say what he did for his salary: "I was just an employee." But sources agree that he supervised the bank's offices in Washington, D.C., and the Cayman Islands. And he seems to have gone to a lot of trouble to introduce Nugan to powerful and influential people. In September 1979 he arranged for Nugan to attend a \$1000-a-plate fund-raising dinner with President Carter. Two years earlier, he had put Nugan together with General Black.

Black, Nugan Hand's representative in Hawaii, began his career during World War II in the OSS, the immediate forerunner of the CIA. In the early Eisenhower years he served on the Operations Coordinating Board, which supervised the implementation of National Security Council policies and oversaw the operations of the CIA. He rose to command U.S. forces in Thailand and Vietnam

of it." Ex-CIA analyst Walt McDonald is also uncertain: "I really don't see it happening, but I can't vouch for it."

Nugan Hand could have been simply an investment front for a group of CIA-connected Vietnam vets who decided to trade in their international connections for a pile of money. But one American, energy consultant Peter Wilcox, claims there was more to it than that. He says he met Michael Hand in Singapore after General Black recommended him to Hand. Hand and Nugan tried to recruit him to work for the bank; Nugan told Wilcox that he wanted him to work under "deep cover" as part of an unidentified intelligence operation. Wilcox, who appears to have had prior associations with U.S. intelligence activities, declined the offer. Later his military friends told him that the bank was moving "unbelievable amounts" of money covertly out of Australia, Indonesia, and Thailand.

And an anonymous former executive of the bank claims that the CIA, under William Colby, laundered millions of dollars through Nugan Hand into Europe to subsidize pro-American political parties. Allegedly the Italian Christian Democrats received some of the money. There has been no confirmation, and Colby denies the story.

Although the CIA connection remains murky, it has become abundantly clear

with Abe Saffron, a frequent object of organized-crime inquiries in Australia.

● Harry Wainwright, an expatriate American and reputed mob lawyer, fled San Francisco in 1973 to avoid arrest for tax evasion. His business associates included members of at least two of Australia's biggest drug rings. He also had close ties to Nugan Hand. He deposited money there as early as 1975, and by the next year counted Michael Hand as a personal friend.

● Brian Alexander, a Sydney law clerk, was present at Frank Nugan's home when police arrived to tell the banker's family of his death. Alexander recently stood trial for complicity in the murder of two drug couriers in Australia's biggest heroin ring. Alexander was acquitted, although the head of the ring admitted that he paid Alexander \$110,000 over several years to "get information from the narcs" that would expose police informants.

● Paul Hayward, a rugby star, was one of Nugan Hand's most favored clients. In October 1978 Thai police arrested Hayward and two accomplices in possession of a suitcase full of absolutely pure heroin. His network, keyed into Chinese drug syndicates in Thailand, supplied at least 15 percent of all heroin consumed in New South Wales. One Australian government investigator says there is little doubt that Nugan Hand financed the whole drug operation. Unfortunately, Nugan and Hand destroyed the records needed to test that allegation.

● Murray Riley, a former detective sergeant in New South Wales, masterminded a smuggling effort that led in 1978 to the largest drug haul in Australian history—1.5 tons of potent Thai "buddha sticks." Australian investigators believe money deposited with Nugan Hand financed that ill-fated shipment. A bronze medalist in sculling in the 1956 Olympics and once a powerful and respected figure, Riley has for some years been a leader in Australian organized crime. He crossed the Pacific as often as twice a month to do business with U.S. racketeers, including mob executioner Jimmy Fratianno, and Salvatore Amarena, a member of the powerful crime "families" of Santos Trafficante in Tampa and Carlos Marcello in New Orleans. In Riley's address book police found Michael Hand's Hong Kong telephone number. One of Riley's henchmen admits to having moved large sums of money through Nugan Hand's Hong Kong branch and doing business with Michael Hand. Riley and another part-

Admiral Yates won't discuss what he did for the bank. 'I was just an employee,' he says.

during the 1960s, then went to work for LTV Aerospace Corporation in Thailand. For Nugan Hand, Black did little or no actual banking. Instead, he specialized in trade services "to help U.S. and Australian firms find joint venture partners in Southeast Asia." Most of his work centered around Thailand and the Philippines.

SO THE QUESTION ARISES: Was Nugan Hand a CIA front, a conduit for laundering money used in Far Eastern operations? Admiral Yates indignantly brands the idea "absolutely absurd, ridiculous, and stupid." But General Black isn't quite so sure. "I'm not saying it's not possible," he allows, "but I certainly wasn't aware

that Nugan Hand, using the same mix of discretion and financial sophistication that appeals to intelligence agencies, worked its way to the heart of Australia's criminal milieu. Its affairs repeatedly crossed those of known underworld figures:

● Bernie Houghton represented Nugan Hand in Saudi Arabia and Singapore. From Singapore he involved the bank with arms trafficking in Southeast Asia and Latin America. After Frank Nugan's death he transferred \$150,000 to the United States from the bank's Hong Kong branch—and then disappeared. In earlier days, Houghton ran the Texas Tavern in Sydney, a popular nightspot for American troops on leave from Vietnam. There he did business

ner reportedly visited the bank several times under assumed names.

CONSIDERING ALL THESE circumstances, Justice A. E. Woodward, head of a recent Royal Commission inquiry into the drug traffic, concluded that he had "sufficient evidence" of the bank's involvement with criminals "to justify a full inquiry into its affairs and the parts played therein by Nugan and Hand."

Nonetheless, there has been no "full inquiry"—on either side of the Pacific. Americans may wonder why the U.S. government and most of the press have remained so quiet about a scandal that once again links American and foreign criminals to the CIA. Certainly there is a prima facie case to be answered. The affairs of Nugan Hand continuously intersected with the world of drugs, money laundering, and arms traffic—a milieu that invariably attracts intelligence interest and frequently covers for intelligence operations. No one has yet proven an operational CIA connection to the bank. But Nugan Hand certainly showed a greater predilection for hiring CIA flight managers and CIA energy experts than it did for hiring bankers to run a viable bank. This bank, so top-heavy with former military and intelligence operations personnel, and so bereft of

financial talent, was no ordinary bank.

Did Nugan Hand in some sense represent an ongoing drug-intelligence connection in Southeast Asia that survived the disappearance there of CIA assets like Air America? The answer probably lies in Thailand, long the nerve center of the dope traffic and still a bastion of U.S.

**Americans
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why the U.S.
government and
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so quiet about
the scandal.**

military influence. Most postwar Thai dictatorships have participated, with varying degrees of U.S. toleration or even support, in the drug traffic flowing out of the Golden Triangle. Nugan Hand's drug connections all lead back to Thailand: the massive "buddha stick" purchases of Murray Riley, the suitcase full of pure white heroin belonging to Paul Hayward, and the Bangkok base of the "Mr. Asia" syndicate that Brian Alexander allegedly served. And the "Green Berets" who staffed the bank were all products of the Vietnam-Thailand theater, whether they were real Green Berets, like Michael Hand, or generals with a lifetime of experience in Thailand, like Edwin Black.

Thailand is also the link between Nugan Hand and another CIA front, the Bahamas-based Castle Bank. Until its demise in 1977, the Castle Bank specialized in laundering money for the CIA while shielding from federal prosecution the mobsters and drug traffickers who also banked there. Its founder and American counsel, Paul Helliwell, served as Miami consul for the king of Thailand back in the 1950s. At the same time he organized Sea Supply, a CIA proprietary company. It furnished supplies to anticommunist Chinese guerrilla forces in the hills of Thailand, Laos, and Burma, where they cultivated fields of opium poppies and convoyed huge caravans of the drug into Thailand. The corrupt Thai border police saw that the shipments found their way to world markets. The CIA, having arranged for Sea Supply to train and advise the border police, was thus drawn intimately into this drug connection. As late as

1973, one CIA agent, Puttaporn Khrankhruan, was arrested and indicted in Chicago for taking part in an illegal opium shipment to the United States. The CIA finally got the Justice Department to drop the charges, but failed to suppress the fact that Khrankhruan had been set up in business by another CIA front company, Joseph Z. Taylor Associates, that was currently training the Thai border police.

Nugan Hand need not have been organized by the CIA, as was the Castle Bank, to have such connections. Some of the more prominent military and CIA figures associated with Nugan Hand came on board only after it was founded, which suggests that the original partners sought to buy a measure of immunity—call it respectability—for their basically criminal enterprise. Perhaps the closest institutional analogy to Nugan Hand is not the Castle Bank but another CIA-linked drug operation, World Finance Corporation (WFC). Founded by Bay of Pigs veteran Guillermo Hernandez-Cartaya, WFC enjoyed a dizzying rate of growth until its recent collapse. Upwards of sixty employees of WFC and its affiliate Aerocondor Airlines had past links to the CIA, according to Sergeant James Ryder, chief of the Dade County organized crime unit at Miami International airport. WFC was the financial cover for a ring that brought hundreds of millions of dollars worth of cocaine and other drugs into the United States each year—with total immunity from federal prosecution. When Ryder's men began looking into WFC, he says, "we were asked to lay off of them because it did involve national security. An individual came down from Washington and told us the corporation was a completely legitimate company and that we were wasting our time."

Nugan Hand, with its tangled web of ties to drug and intelligence operations in Southeast Asia, was a small but significant manifestation of the legacy of the Vietnam War. Just as the Florida drug traffic, now dominated by CIA-trained Cubans, flowered in the aftermath of the Bay of Pigs fiasco, so the "Golden Triangle" became the world's greatest producer of opium and refined heroin under the guidance of CIA mercenaries supplied by Civil Air Transport, Air America, and Sea Supply. As those proprietaries faded from the scene, and U.S. intelligence veterans "retired" to private life, the drug infrastructure remained intact. The Nugan Hands of the world represent the return on that unholily investment. ■

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Why We're Losing the War on **CANCER**

In 1970 the federal government announced plans for a multibillion-dollar 'war on cancer' that would wipe out the disease in time for the Bicentennial. Ten years later there's no light at the end of the tunnel.

By Martin Kernberg

SOMETIME NEAR MIDNIGHT on the last day of December 1971, as the rest of the nation made champagne toasts and soon-to-be-broken New Year's resolutions, a patient lying in one of America's thousands of cancer wards died. He was the year's victim No. 337,398 of a dreaded killer first recognized two thousand years ago.

On the final day of this year, the scene will be repeated with one crucial difference: The last cancer patient to die in 1980 will be the year's 405,000th victim.

We are losing the war on cancer.

In 1971, one patient died from cancer every 93 seconds.

In 1980, one dies every 78 seconds.

Ten years ago, the number of new cancer cases was 665,000.

Ten years later, the number has jumped to 785,000.

The nation's newspapers periodically burst with bold headlines of some new

wonder drug like interferon that will (really) mark the beginning of the end of cancer. Every year the National Cancer Institute claims undreamed of progress and cure rates. Every year Congress pours more hundreds of millions of dollars into the cancer research hopper.

And every year the cancer death toll stealthily inches upward by 1 percent.

The public, befuddled by medical dialect and a bewildering array of statistics trotted out by the National Cancer Institute, does not realize what is happening. When cancer touches an individual, or his family, or his friends, the automatic assumption is that this is a tragic personal exception. The mass media, secure in the belief that cancer-cure stories mean more readers, rarely challenge the official perspective or invest the resources to learn the intricacies of the disease and its treatment.

And although the vast armies of medical researchers at the more than six hundred institutions currently subsidized by the National Cancer Institute—including nearly every major university

and medical school in the United States—discuss the problems among themselves in hospital corridors and scientific journals, in public they are discreet. Presumably the maxim that in war, truth is the first casualty, applies even to figurative wars like this one.

It was ten years ago this month that President Nixon began devising his plans for a systematic government assault on cancer—"our great crusade," he called it—that would consign the disease, along with smallpox and polio, to the dustbin of medical history, in time for the U.S. Bicentennial celebration that was coming up in 1976.

The sad reality, ten years and \$9 billion later, is that cures for the hundreds of diseases known collectively as cancer are untold years of research away. Benno C. Schmidt, former head of the President's cancer panel, admitted it in a memo to Jimmy Carter. "This extension of our knowledge," wrote Schmidt, "only underlines how vast are the areas of ignorance which remain. . . . For we are, in truth, profoundly ignorant about

MARTIN KERNBERG is currently involved in medical research at Stanford University.

Said the memo to Carter: 'We are, in truth, profoundly ignorant about the real nature of cancer. We do not really understand what happens.'

the real nature of cancer. We do not really understand what happens."

The story of the defeats in the decade-long war on cancer is the story of the failure of the National Cancer Institute (NCI), the federal government's \$1 billion-a-year cancer research arm. NCI was founded in 1937 with an annual budget of \$400,000. By 1970 NCI had spent a total of \$1.9 billion, with little apparent impact on cancer death rates and only inconclusive findings on the basic biology of the disease and its causes.

Nevertheless, in late 1970 plans for a massive expansion of NCI were begun. Before that time, the campaign against the disease was an expensive but cautious research effort; afterwards it was an aggressive, well-publicized, and richly funded war that consistently promised more to the American people than it could possibly deliver. This sudden change was carefully orchestrated by key congressmen, the Nixon administration, large cancer research institutions, and various members of the strange "cancer lobby" that has grown up around efforts to control the disease.

EVERYONE WHO ATTENDED the launching of the war on cancer had something different to gain. For Nixon and the congressmen, there was political mileage; for the research institutions, lots of federal dollars; for cancer lobbyists, a chance at administrative posts to oversee the spending. (And for some there may have been a curious psychological benefit. Mary Lasker, for instance, was a New York millionaire and one of the most conspicuous advocates of the expanded federal effort. Her fortune derived in part from the success of her husband Albert as an advertising writer for the American Tobacco Company. His slogan "Reach for a Lucky instead of a sweet" led many young women away from the dangers of candy and into smoking during the thirties and forties.)

Their first step was to commission an ambitiously titled "National Panel of Consultants on the Conquest of Cancer," authorized by the Senate in the spring of 1970. The panel was composed of thirteen cancer physicians and scientists and thirteen laymen, including executives of several large cancer institutes and three past presidents of the Amer-

ican Cancer Society. Each panelist was handpicked by Mary Lasker and her chief Senate contact, Ralph Yarborough of Texas. Senator Yarborough was principal coauthor of the resolution that set up the panel and later he became one of the major proponents of the claim that cancer could be wiped out by the Bicentennial if only Congress would appropriate enough money. Much of the hoopla

of the "war on cancer" was spurred by Yarborough and his ally Ted Kennedy; in their game of political one-upmanship with Nixon, each was trying to get credit as the politician most opposed to cancer.

The panel's report (submitted to Congress through Yarborough's committee on labor) insisted that the 1960s had seen "major advances in the fundamental knowledge of cancer." These

Some Good News

While federally funded anticancer efforts lag behind, there have been some startling advances in the private sector:

Cancer detection. One of the best examples of the possibilities of private research is the CAT scanner, a device for creating three-dimensional computer-reconstructed X-ray images. The CAT scanner has been a giant leap forward in tumor detection; a CAT scan for small lung tumors takes up to two hours and costs \$131, compared to ten days in the hospital and \$4100 for exploratory surgery. Allan Cormack of Tufts University came up with the theoretical underpinnings for the scanner in his spare time as "a sideline, not my serious physics work." Godfrey Hounsfield, an electronics engineer at EMI, Ltd., in England built the first device. The two men have never met or even spoken to one another. Neither man was a specialist in cancer, and neither received a penny of government money to finance his research.

Preventive medicine. While the NCI pours dollars into lung screening programs and the search for a "safe" cigarette, the private Smokers' counseling program has been successful in steering 30 percent of its participants away from smoking, a direct blow at the primary cause of lung cancer. Stanford University physician David Eddy calculates that smoking cessation programs cost \$107 for every year of life they save. The NCI's lung screening and treatment programs cost \$45,000 for every year of life they save.

Funding. Nearly every large drug company is putting money into cancer-related research. Biogen of Geneva was the first to announce the successful cloning of the anticancer drug interferon. New England Nuclear Corporation has pioneered in the development of injectable radioactive chemical compounds for cancer detection. Abbott Laboratories expects by early 1981 to market kits for detection of molecules associated with the development of many cancers. Life Instruments Corporation of Miami has developed an ultrasound device for detection of breast cancer, which will reduce the need for hazardous X-rays.

Clearly private investors believe that health is good business; so-called "anticancer stocks" have attracted considerable interest on Wall Street during recent months, culminating with the amazing success of Genentech, Inc., an interferon pioneer. When it went public in mid-October, the stock's opening price doubled in a matter of minutes.

Theoretical innovation. One of America's newest and largest philanthropic trusts, the John D. and Catherine T. MacArthur Foundation, announced this fall it will begin handing out no-strings-attached fellowships of \$50,000 a year for five-year periods up to twenty years. And some of the fellowships may be awarded for life. The catch: No applications are permitted, nor are project outlines or reports. "The idea behind the MacArthur Prize Fellows is that Einstein could not have written a grant application saying he was going to discover the theory of relativity," says J. Roderick MacArthur. "You can't write a proposal saying you're going to discover something you don't know exists. Einstein needed to be free, and so do future Einsteins."

advances now offered "great opportunities," which could be seized only through "a national program for the conquest of cancer." The ensuing public debate was characterized by what Rand Corporation analyst Richard Rettig later charitably referred to as "rhetorical excess." Some typical examples:

- NASA's conquest of the moon should be the model for a "professional attack on cancer instead of the more relaxed, amateur approach which we have followed so far," said the late Dr. Sidney Farber, a Harvard pioneer in cancer chemotherapy. He added that the objective should "be clearly defined as the conquest of cancer" and progress "could be measured against that standard." Farber must have been aware that he was, by implication, seriously overstating our knowledge of cancer, but his judgment may have been clouded—he was cochairman of the "cancer conquest" panel and a leading candidate to head the new cancer agency that Congress was expected to create.

- Senator Jacob Javits of New York, annoyed by a skeptical *New York Times* editorial, insisted that scientists were "close to a breakthrough in cancer."

- Dr. Wendell Scott, a member of the cancer conquest panel, declared confidently that more money for research would lead to "vast inroads [against cancer] in a relatively short period of time." The panel itself went even further; its report proclaimed that "the chemotherapy of cancer is today at a point analogous to that of the chemotherapy of infectious disease in 1937"—just before the discovery of penicillin.

- Syndicated columnist Ann Landers helped put public pressure on Congress during a key point in the debates by putting aside her usual fare of domestic problems and devoting an entire column to cancer. "If this great country of ours can put a man on the moon," she asked, "why can't we find a cure for cancer?" Landers answered her own question: We could, if we just spent more money.

Even in this atmosphere of frenzied pseudopatriotism, many scientists and medical researchers publicly opposed expanding the government's role. Officials of the Federation of American Societies for Experimental Biology, the American Association of Medical Colleges, and the Association of Professors of Medicine, all predicted a *weakening* of basic biomedical research. Thirteen distinguished scientists, including five Nobel prize winners, wrote the *New York Times* to denounce the legislation.

The medical press also raised its

voice. Dr. Irving R. Page, then editor of *Modern Medicine* magazine, wrote that "basic research, and that is what is most needed, is unlikely to thrive in such an atmosphere [of] highly political management dominated by committees [with] the ultimate authority in the hands of the president." And *Nature*, the preeminent scientific journal, pointed out that many supporters of the program were comparing it to a crusade. "Most of the Crusades," the magazine observed sardonically, "were costly failures, except, of course, for the Fourth Crusade, which sacked the allied city of Constantinople instead of conquering Jerusalem."

THEIR CRITICISM WAS overridden in the end. Congress approved a package that eventually quintupled NCI's annual budget to \$1 billion. In December 1971 Nixon signed it with great fanfare as "a Christmas gift to the American people" that would bring "new hope for all the world." A congressional resolution promised that increasing NCI spending would wipe out cancer by 1976 "as an appropriate commemoration of the 200th anniversary of the independence of our country."

When Senator George McGovern convened hearings on the war on cancer in 1978, the Bicentennial had come and gone and the conquest of cancer was still farther away than the moon. McGovern noted that and much more in an acerbic

marks is best summed up in his title: "The War on Cancer: Is it a Multi-Billion Dollar Failure?" The senator clearly had his suspicions.

The McGovern hearings were one of the first public clues that the war on cancer had misfired. Since then there have been others. When the outgoing director of NCI, Dr. Arthur Upton, testified during House hearings on the 1980 budget, he confirmed that the institute's ten years of work had produced an inventory of ignorance:

Has there been any advance in the understanding of the biology of cancer cells?

"Our knowledge of the regulation of cell growth is still fragmentary."

What causes cancer?

"We have only uncovered a few [causes] to date and we still have to learn precisely how they act."

In the past ten years NCI has tested only 247 possible carcinogens; more than 61,000 chemicals in wide commercial use have not been tested to see if they cause cancer. At this rate NCI will finish in the year 4449. Is the situation as bad as the NCI's own statistics imply?

"The figures, I believe, are accurate. We simply do not know today how serious that disparity is."

How many different kinds of cancer are there?

"We are still really scratching the surface in our knowledge of different forms of cancer."

If the only adverse consequence of the NCI's debacle was some wasted money, it would be tempting to believe that at

'If this great country of ours can put a man on the moon,' asked Ann Landers in her daily column, 'why can't we find a cure for cancer?'

opening statement. Among his observations:

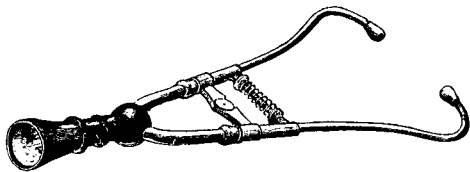
- Despite \$7 billion worth of research by NCI since 1940, "an adult's overall chances today of being cured of cancer are not significantly better than they were" then.

- During the first seven years of the expanded war on cancer the disease attacked 4.7 million new victims and killed 2.6 million.

- Nearly all the huge new appropriations to NCI during the 1970s were spent on "the dogged, same-track approach" of the past: immunology, the study of the properties of white blood cells; virology, the study of viruses; and chemotherapy, the use of chemicals against cancer.

The overall thrust of McGovern's re-

least it hadn't done any harm. But the fact is that this campaign of overpromising, overfinancing, and misinvesting has had grievous consequences for human life. A close examination of these consequences will show that it has diverted attention from promising areas of study; there has been little critical evaluation of those avenues it has pursued; the absence of effective fiscal controls has led to financial scandals in the scientific and industrial community; and perhaps worst of all in the long run, the necessary independence of scientific inquiry has been seriously damaged. Donald Kennedy, former head of the Food and Drug Administration, has termed it a "biomedical Vietnam," and there is no light at the end of the tunnel.



At a congressional hearing on the 1979 budget, NCI director Upton boasted that a million lives have been saved from cancer since 1937 "as a result of advances in knowledge." Representative Robert Michel of Illinois seemed skeptical. Did "saved," he inquired, mean that "an individual, after having undergone treatment and detection, lived a normal life span?"

"No," replied Upton. "We use the so-called five-year survival or five-year cure as a measure for a successful outcome."

This exchange lies at the heart of NCI's smokescreens about the success of its work. The ritual is repeated every spring at appropriations time; the NCI director and his staff make new claims that the cancer "cure" rate is steadily improving—but those "cure rates" are nothing more than some statistical counting legerdemain. When the NCI uses the term "cure," it refers to a patient who lives five years after his cancer is detected. The cancer may kill him five years and one day after the first diagnosis, but he dies a cured man.

This enables NCI to boast of seemingly impressive progress in the war on cancer, but the real progress that has occurred has been in medical technology, allowing the earlier detection of tumors. For instance, in earlier times a woman with breast cancer might have been diagnosed at age fifty-three and died at

fifty-five. These days, advances in diagnostic techniques and screening might allow physicians to detect the disease when the woman is fifty. She may still die at fifty-five—but now she'll count as a "cure."

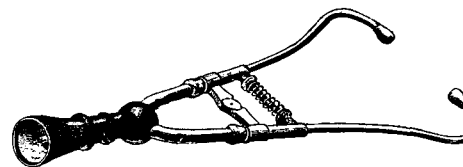
Because it improves the institute's public image, NCI uses the five-year survival rate almost exclusively. But a more realistic way to assess the progress of the war on cancer is to look at the number of people who actually die of cancer each year. And those numbers offer cold comfort. Figures 1 and 2 show that since 1930 the death rate for all major physical sites of cancer has inched steadily *upward*.

The number of deaths continues to climb regardless of the level of funding of NCI, and this is cause for particular alarm because between 1950 and 1970 a scientific revolution was taking place in molecular biology, the cornerstone of modern medicine. Scores of other diseases, from diphtheria to whooping cough, were wiped out or drastically curtailed, but cancer marched on. For some groups the possibility of avoiding cancer has even declined. As can be seen in figure 3, older people—age forty-five and above—actually have a *greater chance of dying* from cancer than people of age forty-five and over did in 1950.

After examining these statistics on death rates, it's easy to appreciate why the NCI prefers to talk about five-year survival instead. Ironically, though, even their own statistics hardly show any significant improvement. Figure 4 shows that the chances of surviving cancer for five years after its detection have barely changed in the past twenty-five

years. And the survival rates for blacks, who are often less able to afford sophisticated and expensive forms of treatment, are significantly lower.

When backed into a corner, NCI officials admit the continually optimistic predictions about stamping out cancer have no basis in fact; the number of cancer cases will continue to increase by about 1 percent per year. "The solutions to the many problems involved in the prevention and cure of the one hundred or more forms of cancer will not come rapidly or easily," said NCI's Upton in little-noticed testimony before Congress in 1978. "We must think of decades rather than years." Those words were a far cry from the clarion calls to battle that sounded in 1970.



Even in the prodigal world of federal spending, an institution that can run through more than \$9 billion and fall so remarkably short of its stated objective—conquering cancer—is something of an oddity. The story of NCI's battle with cancer is a parable of the kind of bungling and financial opportunism that afflicts the federal government itself.

Perhaps NCI's most persistent failing has been in the area of accountability. The institute rarely evaluates specific programs to see if they are contributing to the actual prevention and treatment of cancer. (Serious science cannot, of

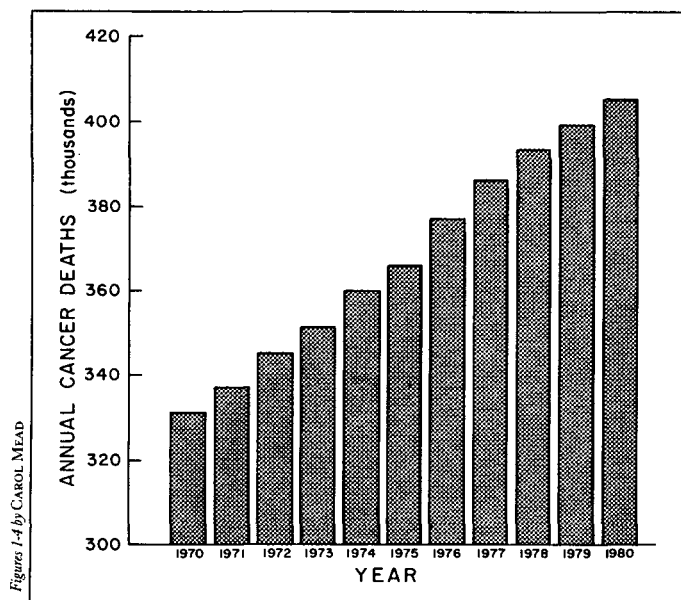


Fig. 1. Total Mortality from 1970 to 1980.
House Appropriations Hearings, 1979; American Cancer Society, 1980.

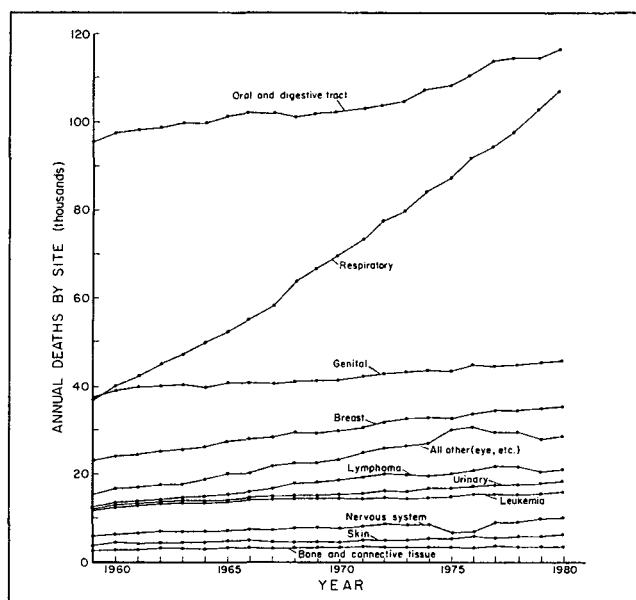


Fig. 2. Total Mortality by Cancer Sites: 1959 to 1980.
House Appropriations Hearings, 1979; American Cancer Society, 1980.

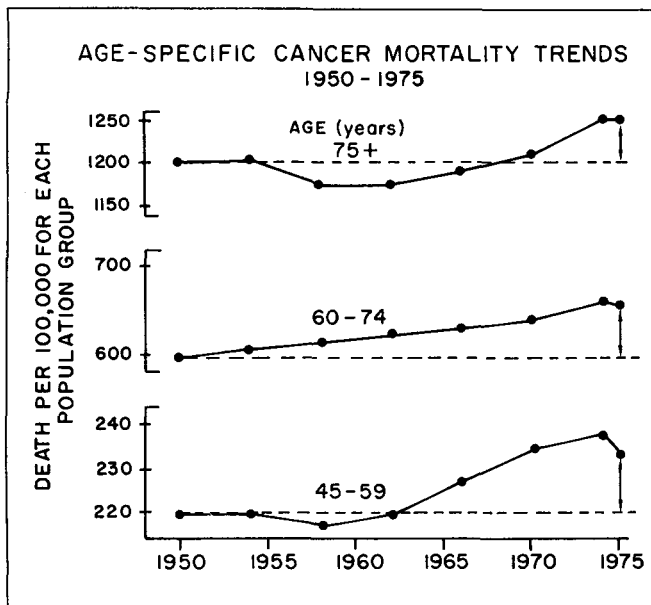


Fig. 3. Total Mortality Corrected for Age and Population Increases. *U.S. Medicine* 1978.

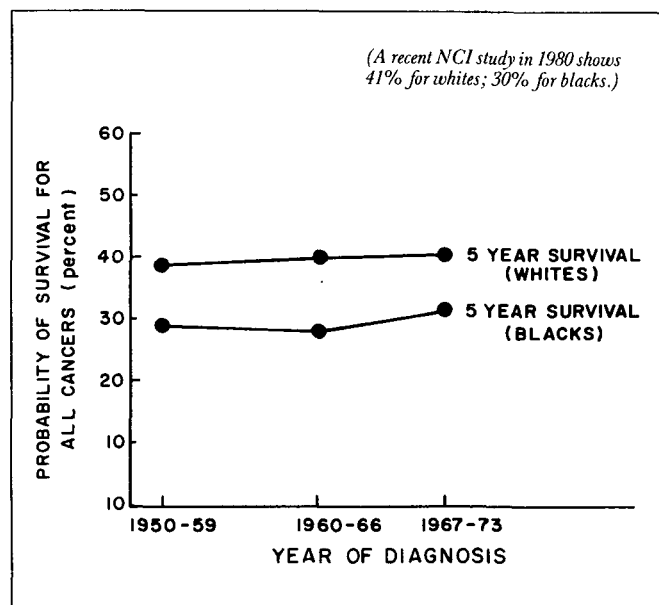


Fig. 4. Five-Year Cancer Survival by Race: 1950 to 1973. *HEW*, 1976.

course, be evaluated by its short-term results, and we'll look more closely at this flaw in the NCI conception later. Nonetheless, the whole point of the massive expansion of NCI was immediate practical results, and it is by this standard that the agency ought to—and promised to—judge its own efforts.)

For instance, one of NCI's largest single operations is the Cancer Centers program, which operates twenty-nine cancer clinics around the country as well as twenty-one nonclinical research centers, at a total cost of more than \$70 million. At the 1978 appropriations hearings, then Representative Daniel Flood of Pennsylvania asked NCI head Upton if evaluations of the cancer centers included "asking the local community and local health providers how they perceive the value of the center?" In plain English, Flood wanted to know if anyone had tried to see if the cancer centers improved the overall health at the local level. Upton's answer: "I am not sure whether that question was asked." A more honest answer would have been "no."

The failure to evaluate the Cancer Centers program in any meaningful fashion is hardly unique. At the same appropriations hearing, Dr. Donald S. Fredrickson, director of the National Institutes of Health (NCI's parent organization), admitted that when NCI makes a research grant there is no attempt made to determine whether the research is useful or productive. "I don't know the percentage of failure, of grants that wind up in a blind alley," Fredrickson conceded.

Besides paying so little attention to

the effects of its research, the NCI displays a similar lack of standards for determining just what research ought to be done. When a congressman asked how NCI had decided how much to budget for each area of research, Upton had no answer. "I am not aware that we had a rigid or well-defined set of criteria," he said. "This was, I think, more a subjective judgment on the part of the institute."

When research priorities are set by personal interests of the NCI staff and evaluations are so vague, there is bound to be much unproductive research—funded, in some cases, for years. Over the years, for instance, the institute poured more than \$750 million into virology research in an attempt to prove that all human cancers are caused by viruses. NCI enthusiastically pressed this search, despite the fact that the link between important human cancers and viruses could not be demonstrated in seven years of intensive research.

THE OUTCOME WAS hardly surprising; in 1977, then director Guy Newell said all that time and effort had produced only "negative information," e.g., that there is no general link between viruses and human cancer. Despite Newell's admission, NCI continues to fund the program at the same level. Similarly, the NCI continues to pour millions of dollars into research on the cause and early diagnosis of lung cancer. There is already overwhelming evidence that smoking is far and away the major cause of the disease and that there is no effective treatment regardless

of how early the diagnosis can be made. The connection between smoking and lung cancer has been well-publicized, and yet cigarette sales continue to rise. It would seem that the NCI could find a more productive field for its research funds. But it hasn't.

On the unfortunately rare occasions when an outside agency has done a thorough review of NCI's work, the results have been sharply critical. A 1978 General Accounting Office investigation of NCI's support of the Eppley Institute for Research in Cancer and Allied Diseases, in Omaha, for instance, showed that the lab was improperly funded and produced poorly monitored studies with results of dubious value. The GAO's investigation showed that the funding for the Eppley Institute (\$22.5 million over ten years) was awarded on a noncompetitive basis; that the NCI suspended its own review procedures for Eppley; and that criticisms of NCI's own review committee "are uniformly ignored" by NCI officials. Not so coincidentally, the director of Eppley Institute is Dr. Philippe Shubik, long a member of the National Cancer Advisory Board. That board is a major policy-making organ of the National Cancer Institute.

The GAO now plans to extend its investigation of NCI funding of private research labs. GAO is particularly interested in the sort of things that went on at Eppley: Eleven research projects never approved by the NCI were funded with federal money siphoned off other approved studies; equipment, test animals, and travel for private projects were financed with NCI money; and data on chemical carcinogens, although col-

lected in NCI-funded projects, were never submitted to the NCI's computerized data bank for public use.

Another GAO investigation in 1979 showed that NCI repeatedly failed to spot serious deficiencies in testing programs for suspected carcinogens, which it was funding. The result: 51 tests had to be thrown out, at a cost of millions of dol-

search is consciously ignored by the NCI," claims Dr. Peggy Fry, a former NCI staff member and now a professor of pediatrics at the University of Texas. She adds that the major focus of what little research NCI has done in the area "has been on the role of diet in treating health problems after they develop, [which is] a crisis-oriented approach."

An even more fundamental challenge to the direction of NCI's research has come from the field of gerontology, the study of aging.

lars. And what was more, the GAO said, the NCI misled Congress by insisting that the testing program was running on schedule; actually there was a backlog of 68 unfinished test reports and 223 cases where reports hadn't even been started. NCI created the backlog, investigators said, by telling the contracting lab (Tracor-Jitco, of Rockville, Maryland) that it didn't have to write final reports on the chemicals it tested.

And at congressional budget hearings for 1980, House staffers disclosed that Litton Bionetics, Inc. had been granted \$194 million worth of contracts over a ten-year period to run the Frederick Cancer Research Center, at Fort Detrick, Maryland, even though one member of a top-level NCI study group admitted that "there is no NCI sponsored research being done at [the Fort Detrick site] which is not going on somewhere else, and if the [center] were closed down there would be no great impact on the Nation's cancer research program."

Just as NCI has tunneled money into research efforts that were wasteful or unproductive, so it has also ignored and underfunded some of the most promising areas of research. One critical omission has been research on nutrition. Some physicians argue that more cancer patients die of malnutrition (one cause: loss of appetite brought on by the disease) than of the disease itself. In addition, some diets—particularly those with high red-meat content—may even induce cancer by altering the body's internal chemistry. Seventh-Day Adventists, for instance, have a significantly lower rate of cancer than the rest of the population, and many researchers believe that the group's strict vegetarian regimen may be one factor.

That line of investigation, however, has never interested the NCI, even though its own advisory board urged major expenditures for it. "Nutrition re-

Other authorities have echoed her words. Dr. George L. Blackburn, associate professor of surgery at the Harvard Medical School, revealed to a Senate committee in 1978 that the National Institutes of Health's own Clinical Research Center didn't begin to feed patients intravenously until they had a weight loss, on the average, of 18 percent. "This is clearly a hazardous state to be starting nutritional support," warned Blackburn, who added that the failure to incorporate into clinical practice what is well-documented in the scientific literature is "astonishing." Blackburn, too, believes there is a deliberate policy of keeping nutritional research on a starvation budget. "The decision-making forums at NIH, where allocation of research dollars occurs, are dominated by graduates of [traditional] medical schools," he testified to Congress, "that is, physicians who have little if any formal training in nutrition and consequently, small appreciation for recent advances in clinical nutrition."

NCI's response to such criticism was to juggle figures to prove that nutritional research had been vigorously pursued all along. In 1978, under serious pressure from Congress, NCI provided three different estimates of the percentage of its budget devoted to nutrition; each estimate was larger than the last. NCI budget analysts had decided that since nutrition, after all, provides the basic building blocks for nearly all bodily functions, then all research could be defined as nutritionally related. "That's right," NCI legislative analyst Diane Wax agreed. "You can shift your whole budget into nutrition." Whenever a senator complained about lack of money spent on nutrition, the NCI simply transferred another research project to the "nutrition" column. Such tactics eventually so infuriated Congress that it sent a list of sixty-three detailed questions

about NCI's work on nutrition, ranging from broad budgetary considerations down to whether the institute sold junk food in its vending machines.

As a second line of defense, NCI claimed that no one was proposing to pursue nutrition research; less than 1 percent of grant applications concerned nutrition, officials said. That argument disingenuously ignores the fact that research interest tends to go where research money is available: Because NCI controls between 75 and 90 percent of all cancer research funds, scientists march to its beat. Between 1970 and 1978, for instance, NCI funding for immunology jumped from \$3.3 million to \$80 million. Oddly enough, during the same period membership in the American Association of Immunologists virtually doubled. By contrast, the budget for nutrition research rose from \$1.5 million to \$8 million during those years, and the membership of the Institute of Nutrition inched from 1341 to 1700. "That," dryly observed Senator Patrick J. Leahy of Vermont, "seems to be an example of what funds can do for a research discipline."

AN EVEN MORE FUNDAMENTAL challenge to the direction of NCI's research has come from the field of gerontology, the study of aging. The NCI's work has been based mainly on the assumption that between 65 and 90 percent of all cancers are caused by harmful environmental substances. This theory originated in a 1969 study by Dr. John Higginson, who is now director of the International Agency for Research in Cancer at NIH.

But during the last two years the "environmental" theory of cancer has come under increasing attack from other scientists who say it fails to take into account racial and genetic differences. These scientists—led by Herman T. Blumenthal at Washington University in St. Louis, James Trosko and C. C. Chang at Michigan State, and Australian Nobel laureate F. M. Burnet—believe that only a small percentage of cancers are environmentally related. Most cancers, they argue, are intimately linked to the aging process. "The same natural genetic processes producing mutations . . . are also responsible for the phenomenon we call cancer," says Blumenthal. He argues that as cells age, they are increasingly prone to errors in the genetic code that governs their reproduction. The result of these errors can be as harmless as a change in hair

Strange Claims from the AP

Covering a war is always difficult, and the war on cancer has been no exception. American newspapers have occasionally zeroed in on some of the problems surrounding the disease and its treatment, but more often they have simply repeated official notices from the front.

One of the worst examples was a ten-part Associated Press series titled "Taming The Killer Cell," which was widely reprinted after its release in June 1979. The author, Alton Blakeslee, was identified as a retired AP science editor—but the wire service neglected to mention that since his retirement he had been on the payroll of the American Cancer Society. That organization forms the core of the so-called cancer lobby and is one of the staunchest supporters of the National Cancer Institute.

The series read like a ten-part NCI press release, glorifying the efforts of cancer researchers with scant attention to the cancer death toll. "At last the tide is turning against human cancer," Blakeslee wrote, hailing "enormous progress" and "spectacular gains."

Many of these "spectacular gains" apparently existed only in Blakeslee's imagination. Time and again he cited statistical data that flatly contradict or distort the scientific and medical literature. (And even if Blakeslee had been completely correct about some forms of cancer being wiped out, the examples he cited make up less than 4 percent of the total cases.)

A few examples:

DISEASE	CLAIM	FACT	REFERENCE
Acute lymphocytic leukemia (.4% of all cancers)	50% to 75% of youngsters are "being cured."	5-year survival in 1979 was 50% to 75% with steady decline thereafter.	American Cancer Society, <i>Cancer Facts and Figures</i> , 1979, p. 20.
Hodgkin's disease (1.1% of all cancers)	75% "are surviving, becoming cured." "Ten years ago survival was practically zero."	10-year survival is 62%, declining steadily thereafter. 5-year survival for men was 53%, for women 57%, in 1965-69.	S. L. Robbins, <i>Pathologic Basis of Disease</i> , W. B. Saunders, 1979, p. 779. American Cancer Society, <i>Ca—A Cancer Journal for Clinicians</i> , Jan/Feb. 1980, p. 36.
Osteogenic sarcomas (0.3% of all cancers)	"Bone cancers . . . are being cured in 70% to 80% of patients . . ." ". . . versus 20% five years ago."	18-month relapse-free survival is 55%, declining thereafter. 5-year survival was about 31% in 1960-73, for all stages. 20-year survival for localized cancer was 48% in 1950-54.	Robbins, <i>Pathologic Basis of Disease</i> , p. 1504. NIH and NCI, <i>Cancer Patient Survival</i> , 1976, p. 250.
Testicular cancer (.6% of all cancers)	"An apparent 80% cure rate . . . among men and boys. . . Progress."	5-year survival was 66% in 1967-73; but 69% in 1960-66. 17-year survival for the most common type, seminoma, is 75%; little or no change in survival for the past 20 years.	NCI, <i>Cancer Patient Survival</i> , p. 201. Robbins, <i>Pathologic Basis of Disease</i> , p. 1224.
Burkitt's lymphoma (rare cases)	"70% cure rate of Burkitt's lymphoma, when in localized stages."	"Despite intensive therapy, almost two-thirds of these patients die of their disease within 4 years."	Robbins, <i>Pathologic Basis of Disease</i> , p. 768-9.

color, or as deadly as a brain tumor.

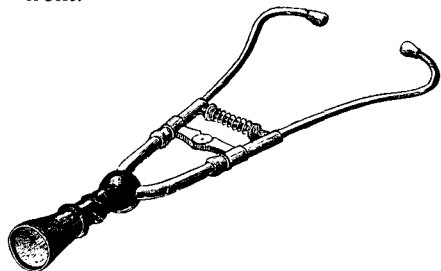
The implication of this theory is that the NCI is spending billions of dollars on techniques that, at very best, might reduce the incidence of cancer by 10 percent, while ignoring research on gerontology that might affect 90 percent. "For every two dollars we spend on cancer research," complains Blumenthal, "only about three cents funds research on aging." One reason is that it might take decades to learn how to manipulate the genetic code to avoid cancer. Congress, having promised immediate results, is looking for quick solutions.

Perhaps more than anything else, the challenge posed by the gerontologists illuminates the central obstacle to cancer research: our ignorance of the way that even healthy, noncancerous cells work. How do they organize themselves into cooperative teams to function as hearts, livers, or lungs? How does an individual cell develop into a specialized part of hormonal or muscular tissue? What are the limitations on the internal repair of DNA, the critical component of the genetic code, when it is damaged by radiation or carcinogens? The study of cancer is the study of aberrant cell behavior, but until we have a complete understanding of normal cell behavior our research on cancer will be fatally flawed. Even the NCI admits it. Former director Upton once told Congress: "We do not yet know how the transformation takes place that converts a normal cell to a cancer cell, nor do we know what conditions are necessary for a transformed cell to develop into a cancerous growth."

The problem is that answering such questions requires basic scientific research, rather than clinical forays against particular cancers. Even nutrition and gerontology, while promising and important, are a gamble, medical roulette with hundreds of millions of dollars of federal money as the stakes. The same is true for most of NCI's work, including the imponderable sums already spent to evaluate current clinical techniques: chemotherapy, surgery, and radiotherapy.

Rational treatment requires a knowledge of the basic biochemistry of disease, and without that knowledge, NCI is wasting enormous resources on outmoded traditional techniques. James Watson, who won a Nobel prize for his research on DNA, says that "we may move faster toward curing a particular human affliction by largely ignoring its existence and emphasizing pure science instead, rather than beating our brains against stone walls merely because they

are in the way. . . . So I fear over the next several years hundreds of millions of dollars will be wasted in crash assaults against specific cancers despite the fact that the recipients of all this cash have no intellectual basis to march forward from."



The problem, though, is worse than just squandered funds. As we have seen, the NCI approach distorts the direction of research by putting money in old, safe, but ineffective approaches while important new areas, whose outcome and usefulness are entirely unknown in advance, are underfunded and overlooked. That tendency is further exacerbated by the incestuous way NCI research grants are awarded, a system that is fraught with conflicts of interest at almost every turn.

Each year the NCI hands out nearly \$600 million in grants.

Applications for NCI funds go before "peer review" committees that rank them in order of worth. A 1978 investigation showed that of the 473 members of these committees, 90 percent had gotten federal money for their own research. The institute's assistant director, Richard Tjalma, didn't see any problem with that. "If they're good researchers, they will have had federal funds by definition," he said. "We *could* assemble some scientists so nonproductive or stupid that they have not qualified for federal research support." It's Catch-22: Anyone who hasn't gotten money from NCI is by definition "stupid," and thus cannot sit on the committee that decides who will get money.

But it doesn't stop there. As we have already noted, NCI doesn't evaluate the research it funds by anything as mundane as how many cancers it prevented or cured. Instead, research is judged by "the number of publications that are produced by the completion of a project," Tjalma says. "It is not dissimilar to a grading system. That's the best we have."

What this means is that a researcher must submit his finished work to a few specific journals like *Cancer* or *Cancer Research* or *Journal of the National Cancer Institute*. The journals have scien-

tific review committees that are usually dominated by people who are themselves engaged in NCI-funded research. (They may, in some cases, even have been on the NCI peer review committee that first approved the grant.) Tjalma adds that the NCI further evaluates the completed research by judging how often it's cited by other scientists—also with NCI connections—writing for these same journals.

Thus, the NCI uses NCI-funded scientists to give funds to predominantly NCI-associated institutions whose work, in turn, is evaluated and published in a handful of journals whose scientific review committees include many NCI-funded scientists. Subsequently, the NCI uses the number of publications and the frequency of citation in those same journals to evaluate its investment. The whole process is so disturbingly inbred, and if it were used to award, say, U.S. defense contracts, there would be a public outcry. But few voices are raised against the cozy way the NCI does business with its client industry.

With such an engagingly lax system of controls, more direct conflicts of interest are bound to develop. In 1978 the GAO reported that five unnamed advisers to NCI had "interests which could possibly be involved with NCI." They all owned stock in or were consultants to companies with NCI contracts. And the fifty-seven people who served on various NCI advisory groups didn't need to file financial disclosure statements.

AND SO THE ERRORS OF the past decade continue. What with conflicts of interest, intellectual incest, misappropriations, bureaucratic inertia, and political machinations, perhaps the institute's approach simply cannot succeed. Cancer, after all, is not really one disease but more than a hundred different diseases. Each one has unique symptoms, characteristics, and causes. A lymph node cancer is caused by viruses. A liver cancer is caused by vinyl chloride. An intestinal cancer is caused by digestive byproducts. The list is endless: smoking, asbestos, fungous toxins, and on and on. Sometimes the best therapy for one cancer (say, radiation for testicular cancer) is the cause of another (leukemia). Thus there may be no "cure for cancer," but a vast array of different approaches for a large set of distinct diseases.

The NCI policy rarely reflects that possibility, just as it does not allow for the role of creative accidents in scientific

research. Penicillin was discovered as a result of a contamination accident during an esoteric study of the properties of Caribbean molds. There are countless other examples. This kind of creativity cannot be legislated; Congress cannot create a great symphony by passing out grants to four composers and instructing each to write a movement.

The diverse research that does produce such creative accidents can only be achieved when there are many sources of funds rather than one federal behemoth. Competition would provide an outside measure of competence and efficiency, independent scientific perspective, greater flexibility and responsiveness in translating scientific knowledge into practical programs, and the possibility of developing unorthodox and multidisciplinary ideas. None of these are possible now under the NCI monopoly. There are many private entities that would have an obvious interest in funding cancer research—pharmaceutical companies, manufacturers of laboratory and radiological equipment, and so on—but current federal tax policy hardly encourages anyone to put money into research. (When private funds are put to use, the results can be spectacular. The CAT scanner, a quantum leap forward in tumor detection, which led to a Nobel prize in medicine and physiology, was developed privately and independently. NCI-sponsored research has produced nothing of comparable clinical importance. Similarly, the private Smokenders program has a 30 percent success rate, thus reducing the overall cancer rate by 12 percent among men who use the program. No NCI program has ever been so successful in direct clinical application of medical information.) Replacing the huge NCI monolith and federally determined objectives with privately risked money and independent research priorities is a critical prerequisite for the remainder of this century's battle with cancer.

It is far past time to make that move; while the NCI dawdles along, Americans are dying, one every seventy-eight seconds. During appropriations hearings in 1978, Representative David R. Obey of Wisconsin declared: "I would pour dollars on cancer like they were holy waters out of a garden hose if I thought that they could be used productively." It may be that watering a barren garden is rarely productive, even if the waters are holy. Public debate must focus on the need for new avenues of research and funding: The lives of 400,000 Americans are at stake every year. □

NAKED CAME THE AGENT and Other Stories the CIA Doesn't Want You to Read.

.....By WARREN HINCKLE

"Where else could a red-blooded American boy lie, cheat, steal, rape and pillage with the sanction and blessing of the All-Highest?"

—Colonel George White,
on working for the CIA.

HERE IT IS NOT EVEN WINTER, AND already the powers that be are plotting to take the heat out of next summer's reading by plugging forever the leaks of the kind of CIA secrets that end up in paperbacks with girls in pink panty hose on the cover. The way it was, an aspiring pulp novelist could, just for the price of the asking, write Washington for the juicy details of the CIA stealing a sample of King Farouk's urine, or making a porn movie starring President Sukarno of Indonesia, or putting on the assassinate-Castro payroll mobsters who shared the President's girlfriend with him.

All of this is the stuff of fiction but true. If you had reason to know, or simply inordinate curiosity, you could write to Washington under the Freedom of Information Act and demand that the CIA 'fess up to what it had been doing with the unvouchered funds bestowed on it from the taxpayers' largesse. But the net effect of the bills that have been tiptoeing through Congress would be that the CIA no longer would have to answer questions about its past peccadilloes, and would be granted its ultimate wish—a U.S. version of Britain's Official Secrets Act, which would make it a crime for anyone to make public the CIA's crimes.

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The bottom line rationale for all this is that famous Nixonian pretext, national security. "The job of the Executive is to keep from the people what they ought not to know and to keep from the press what they ought not to print," Nixon told the returning Vietnam POWs at a White House Moral Majority-type party where divorced POWs were not among the welcome. National security is a thing rarely defined, although when it comes to the CIA I take it to mean that it would be harmful to the national defense to have the government look like a horse's ass.

From a purely personal standpoint, this is a depressing prospect. Perhaps the weirdest of all the CIA's domestic misadventures took place in the village of San Francisco, where I live, and no one in my home town would have ever known about it if an Eastern Seaboard journalist hadn't sued the government under the Freedom of Information Act.

The CIA, after considerable stalling, coughed up 16,000 pages of documents about a classified project called MK/ULTRA, which had to do with experimenting with mad scientists' ways of messing with people's minds. Among the project's installations was a national security whorehouse on Telegraph Hill; there unsuspecting johns would be compromised by ladies in CIA employ and slipped LSD mickeys while a short, fat, bald spy sat on a portable toilet watching through a two-way mirror and sipping martinis.

The hard-drinking CIA Kojak was Colonel George White, half-spook, half-narc, a self-proclaimed hard-liner who loved gin, hated hookers, and pinched dopers with the zeal of a Torquemada. He was the clown who arrested Billie Holiday. White worked for the federal narcs for decades in New York and San Francisco. When he finally retired to Stinson Beach, a surf-oriented community just around the bend from the Golden Gate Bridge, he spent his reclining years glued to a high-powered infrared telescope; he searched the beach looking for telltale signs of people lighting up joints, whereupon he would call the local constabulary.

The nightclub-hopping colonel (an old OSS title) cultivated local reporters like hothouse roses and had a reputation as a fine fellow until in 1977, after his death, Freedom of Information documents revealed that White had led a double life. By night he chased dopesters, by day he operated as a CIA behavior-mod witch doctor. From the mid-fifties to the mid-sixties he ran CIA drug houses in the pad on Telegraph Hill, a house in Mill Valley, and a slick-ugly motel near the Golden Gate Bridge, where strange and dreadful things went on before his beady eyes—glued to the see-through mirrors.

"If we were scared enough of a drug not to try it on ourselves, we sent it to San Francisco," a CIA memorandum

From his seat on the portable privy, Colonel White oversaw the filming and recording of every stoned and kinky moment.

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read. (White and his spook colleagues would occasionally get one another stoned and take notes, in the interest of national security.) The items tested in the Bay Area included psychochemicals, itching powders, LSD in aerosol spray cans, diarrhea-inducers, sensory-deprivation techniques—and drug-coated swizzle sticks. These last the CIA tested in Tenderloin bars by sticking them in the drinks of unwitting citizens of the demimonde, who would then take off like UFOs. The advantage of Tenderloin-testing was that such behavior there passed for normal.

The prostitutes who lured guinea pigs within range of Colonel White's two-way mirrors were procured through the good colonel's "close working relationship with police authorities," according to another CIA document. From his director's seat on the privy, the colonel reigned supreme over a sexual technology that filmed, recorded, and still-photographed every stoned and kinky moment for the detailed scrutiny of his CIA superiors. The goal was to acquire the psychochemical know-how to turn the average American into a kamikaze pilot at a moment's notice. The Frisco freak show was code-named Operation Midnight Climax.

Around the time that Colonel White was setting up his U.S. government safehouses stocked with booze and drugs (the premises, incidentally, were used in recreational hours by White's cop buddies, and there were complaints from neighbors about guys wearing guns in shoulder holsters running around chasing women in various states of undress), scientists in the employ of the United States Army were spraying San Francisco Bay with biological warfare germs, just to see what would happen. The CIA was also releasing unknown uncontrolled substances in the vehicle tunnels and on the highways of Manhattan and dropping germ-filled light bulbs in the subways.

What happened in San Francisco was that a lot of people got sick. At least one person, Edward J. Nevin, died. His children, grandchildren, and great-grandchildren have joined in an \$11 million suit against the U.S. government for bringing about his wrongful death from a pneumonia-related bacteria called *Serratia marcescens*. No one would ever have known this had happened had not the relevant documents been pried

out under the Freedom of Information Act.

If you wonder about the government's ability to separate the wheat of secret information from the chaff of bureaucratic cover-up, it is instructive to note that one of the passages the CIA deleted from the famously agency-censored 1974 book by Victor Marchetti and John Marks, *The CIA and The Cult of Intelligence*, was Henry Kissinger's rationale for the CIA's covert overthrow of the constitutionally elected Allende government in Chile: "I don't see why we need to stand by and watch a country go Communist due to the irresponsibility of its own people." I did not run across this memorable quotation in the good doctor's memoirs.

In 1973 CIA director Richard Helms ordered the destruction of all MK/ULTRA mind-control project records. However, the shredders overlooked something. A 1976 Freedom of Information Act lawsuit brought by CIA critic Marks turned up seven boxes of MK/ULTRA financial records, including the generous expenditures of unvouchered funds on Colonel White's fun and games. The last CIA payment to the colonel was in February of 1965, in the amount of \$1100 for "undercover agents for operations." This is a CIA euphemism for prostitutes. Marks also located CIA documents showing that some of the experiments were to develop chemical and biological agents for "executive action-type operations." "Executive action" is the CIA euphemism for assassination.

Other documents dragged by Marks from a reluctant CIA revealed that the agency had been carrying out similar drug and behavior-mod experiments in prisons like California's Vacaville, with inmates as guinea pigs. Just what was being tested is unclear, as most relevant medical records have been filed in the burn bag. One extant CIA document states that the purpose of such tests at Holmesburg State Prison in Pennsylvania was to find "a compound that could stimulate a heart attack or a stroke in the targeted individual."

Marks published his Freedom of Information documents in a 1979 book, *The Search for The Manchurian Candidate: The CIA and Mind Control*. Under the new laws being sought by the CIA, that book would be unpublishable. For that matter, so would this article.

THE PRESENT CIA PINCER MOVE FOR ITS Official Secrets Act is the agency's end game in a strategy of disinformation and manipulation of the press dating back to the mid-1970s. The CIA has traditionally had a good press, which, for most of its purposes, meant no press at all. Former CIA director Richard Helms used to treat the lords and ladies of the Washington press establishment to lunch in the director's private dining room and send them home happy with Madeira and stuffed to the gills with nasty bits of intelligence about rival services, particularly the hated spies of the Pentagon. Helms artfully utilized the press—with few exceptions—to tickle the noses of rival superagencies, while keeping the CIA rather remarkably out of the spotlight of investigative reporting.

Even when the agency did get into hot water, as in the 1975 flap over spying on domestic recusants and radlibs, it exhibited a remarkable ability to recoup by showing a little leg to the press. Helms's successor as CIA director, William Colby, successfully detoured attention from the CIA's domestic sins by allowing a glimpse of its James Bond side—the overpraised Howard Hughes-Russian-mystery-submarine-raising caper. This was a longstanding agency "secret"—Chuck Colson had leaked it in his post-Watergate singing, but the press was disinclined to believe a man who said he'd run over his grandmother for Nixon, even if he had recently found God—

that the agency held for release until the most convenient moment. Colby orchestrated the press coverage with an experienced conductor's hand, hyping the excitement by pleading with editors not to print the story, the way Bre'r Rabbit pleaded not to be thrown in the briar patch.

DURING THE 1975 SENATE COMMITTEE hearings into intelligence practices, the CIA adopted a game plan of suffering the purgative rhetoric of its critics and even offering to cooperate in its own investigation. The architect of this strategy was CIA director Colby, a steely-eyed Boy Scout master who in Vietnam had run the notorious Phoenix program of wholesale assassinations. Colby flogged himself with a gray-flannel whip and apologized to the senators for venial sins (Colby is a card-carrying Catholic) such as steaming open mail to Peking to see if Wo Fat had acquired a capacity in invisible ink. The CIA, by such curtsying to congressional review, avoided the wholesale destruction of its domestic assets. These included proprietary companies, secret paramilitary air bases and munitions dumps on U.S. soil, and countless arms-length contract operatives through whom it had developed a capability for almost-overnight intervention in other peoples' business. All the while the Senate was "investigating" an apologetic CIA, the CIA was busy secretly "destabilizing" Angola.

Ex-CIA directors waddled into Congress like so many penguins to push the agency disinformation line. Before the committees Richard Helms, as is his practice, lied. James Schlesinger was the short-lived director of the CIA whose stewardship was tempestuous in the extreme (he ran the CIA like some persnickety cocaine tycoon and traveled with bodyguards because agency Old Boys kept threatening to clean his clock). His government career was distinguished by his action as Nixon's secretary of defense in posting guards around the Ultimate Button lest King Richard the Bad succumb to the final temptation as he fell from power. Director Schlesinger dissembled most subtly, withdrawing prior blunt characterizations of CIA misdeeds as "misdemeanors" and suggesting the defense of comparative statistics.

If the CIA had really collected 10,000 names of U.S. citizens wantonly exercising various constitutional rights, well, so did superlib Ramsey Clark, when he was a black-shoe attorney general in his pre-Hush Puppies days. The Justice Department, it turned out, had sent Ramsey's names over to the CIA, but the computer tapes didn't match, so the names never mated. (It was disclosed later through various Freedom of Information Act requests that the CIA kept files on 50,000 members of the California Peace and Freedom party alone during 1969 and 1970; the body-count reports of how many names the CIA actually had in its usual-suspect files range from an index of 300,000 individuals and organizations developed under its six-year Operation CHAOS, to the existence of a computerized list of nearly 1.5 million names compiled during two decades of illegally opening first-class letters to and from American citizens.)

Disinformation is the intelligence technique of providing or leaking half-truths or outright lies to confuse and disorient the enemy—in this case the American public. The CIA's upfront disinformation expert was E. Howard Hunt, the old bumbletoes who used his agency-honed skills so clumsily in scissors-and-paste faking of a State Department cable to hang the Kennedy administration for the assassination of the Tojo of Vietnam, Ngo Dinh Diem. Past and present CIA directors from Helms through Admiral Turner have more skillfully

applied the technique.

Colby, for instance, in a CIA white paper drafted for the Senate Intelligence Committee, referred obliquely to "the agency's relationships with American students and other associations and foundations revealed in 1967 by *Ramparts Magazine*." Colby described these as "confidential relationships." I know something of these "confidential relationships" as I was the editor of *Ramparts* at the time of which Colby speaks. They amounted to a fifteen-year, billion-dollar bribe to make presumably independent American groups quick to do the bidding of the patriarch in Langley, Virginia. The CIA had clandestine cash conduits to the boardrooms of the mightiest and the bell towers of the loftiest American institutions. CIA agents moved about the country like Avon Calling—recycling intellectuals, coopting universities, buying labor unions, and renting students as spies. The CIA sought, and to a large extent achieved, the covert control of the international operations of most important American professional and cultural organizations: journalists, educators, jurists, businessmen—the works.

That Colby, in his confessional accounting of the CIA's domestic endeavors, attempted to make light of his agency's appalling program of massive subversion and bribery of Americans is indicative of the degree of candor one can expect from the CIA as to the true nature of its derring-do. While it was promoting its venial sins with born-again piety, the agency was insulating its deep-cover operatives from congressional review by transferring them to the DEA and other federal units that serve the CIA—Potemkin village style. It was also arranging for the continued funding of *verboden* domestic and international operations through private business or internationalist do-good organizations—as well as vest-pocket financial conveniences such as the Castle Bank of Nassau, where mob and CIA funds swam in the same offshore sea. The *Wall Street Journal* revealed earlier this year that a major IRS investigation of the Castle Bank's depositors, involving hundreds of millions of dollars in penalties, had been scuttled by the CIA on the familiar grounds of national security because the bank was a

CIA agents moved about the country like Avon Calling, recycling intellectuals and renting students.

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CIA conduit for covert operations against Cuba and other out-of-favor countries.

The CIA has had sophisticated motives in leaking news to the press of its Katzenjammer Kids dirty tricks. If the agency readily confirms a newsman's suspicion, it has a reason. When *New York Times* man Seymour Hersh sought to confirm tips on CIA shenanigans, it was director Colby himself who spilled the beans on the agency's domestic spying. Among the desired consequences of Hersh's predictable front-page stories was the ignominious departure of James Angleton, the CIA's poetry-minded, orchid-growing, intransigent counterintelligence chief. Angleton was a thorn in the side of other grand poohbahs of espionage, since his department substantially controlled both the coveted nexus with Israeli intelligence and the agency's ties to foreign and domestic police programs—the hottest growth area of espionage-establishment expansion.

Watergate was perhaps the most famous spill in the history of calculated leaks. It is now approaching the category of conventional wisdom that, contrary to the fearless independence conveyed by Robert Redford et al in the cinema *All The President's Men*, Woodstein was in fact used by the CIA to steer the Watergate investigation away from the agency's own involvement. This thesis is convincingly argued in the much-

Watergate was perhaps the most famous spill in the agency's long history of calculated leaks.

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overlooked Republican literature of Watergate, principally in H. R. Haldeman's in many ways remarkable treatise on his master's knavery, *The Ends of Power*.

Lest one think the agency has lost its touch, or the post-Woodstein press has given up the practice of swallowing whole the CIA's spoon-feeding, consider the recent John Dinges and Saul Landau book on the Orlando Letelier assassination. It documents how the CIA planted the thin theory in the *Washington Star*, the *New York Times*, and *Newsweek* that "leftist extremists" had murdered Letelier to make him a "martyr" figure and thus blacken the good name of the Chilean secret police. By such disinformation and by withholding from the FBI the CIA's prior knowledge that a Chilean assassination squad had entered the United States on dirty business, the agency effectively steered the Letelier investigation far from the considerable question of the CIA's ongoing relationship to Chile's gestapo, the DINA, which came into this world as a Chilean rib from the Adam of the CIA.

These CIA disinformation efforts have served to pave the way for the agency's ultimate goal of a U.S. version of Great Britain's notorious Official Secrets Act. The agency's strategy has been to accept the penalties for its confessed excesses in exchange for a new CIA charter that would recognize the agency's right to protect "legitimate" intelligence secrets. Thanks to the born-again hawkishness of the Carter administration, even the "restrictions" the agency was willing to trade off for criminal sanctions against agency whistle blowers have been tempered to allow the CIA to burglarize and wiretap, use journalists and academics as spies, conduct covert operations with drastically reduced congressional oversight, and not bother the President with the specifics of dirty tricks.

This Open Sesame charter would be in addition to a bill pending in the Senate (passed by the House) that would make it a criminal offense for the public or the press to identify a covert CIA operative, even if the operative's name had been gleaned from public sources or had been previously reported. This legislation would in effect apply the law of libel—it is libelous to repeat a libel—to any newspaper or magazine that carried a news story originated by another publication exposing an illegal CIA operation.

The House passed the bill after considerable publicity over the fact that the CIA station chief in Jamaica had his home shot up after his name was revealed by an anti-CIA paper, the *Covert Action Information Bulletin*. Although the shooting came at the perfect time for the CIA to push its cause with Congress, it later developed that the publication had in fact first named the CIA man, identified as one N. Richard Kinsman, back in 1979,

putting into question the agency's application of the principle of cause and effect. Kinsman's maid, who might have been a fair witness, unfortunately slept through the attack, which allegedly involved the use of machine guns and hand grenades. The CIA man did not bother to notify the police; instead he called the *Daily Gleaner*, an anti-Manley newspaper (Michael Manley is the Jamaican leftist whose government the CIA is attempting to "destabilize"), which reported the incident as if it had been the assassination of Archduke Francis Ferdinand.

Such restrictions and penalties would put an end to the Marchettis, Agees, Snepps, and Stockwells—the CIA whistle blowers who revealed the agency's dirty tricks because they were presumptuous enough to think the American public had a right to know what the government was doing. The proposed CIA charter would also exempt the CIA from most provisions of the Freedom of Information Act, effectively cutting off access to information about past CIA activities—from drug experimentation to drug trafficking to just plain murder.

Legislation for the proposed charter petered out in Congress this year but will doubtless be back in 1981. In its various forms, it amounts to an Official Secrets Act without saying so. This year the Senate helped ease the way by passing an "Intelligence Oversight Act," which contributed to the CIA's goal of turning its critics into a chorus of castrati. The Hughes-Ryan Amendment of 1974, establishing congressional review of CIA covert operations, specified that eight committees be notified; the new act cuts this to two.

THE SUPREME COURT HAS ALSO DONE ITS bit. In a decision against former CIA officer Frank Snepp (who wrote a book about the agency's bungling in Vietnam)—a decision that many legal observers find startling in its implications—the Court ruled that even without a specific "secrecy agreement" any employee with a government contract is in effect under a court-constructed prior restraint to seek permission for any and all writings about the government from the government—and thus goodbye to whistle blowing. The Court's decision seemed to give legal underpinning to the singular doctrine developed by the Carter administration in the H-bomb "secrets" case—that certain things are "born classified," whether or not a bureaucrat has gotten around to labeling them so.

The country seems to be moving toward a docile acceptance of the inevitability of the CIA Official Secrets logic. Even the loyal civil liberties opposition is acting strangely. When Nat Hentoff wrote an article in the *Village Voice* criticizing the ACLU logicians for failing to come down heavily enough against a portion of the proposed Foreign Intelligence Surveillance Act establishing "secret courts" to grant orders for national security wiretaps, the indignant ACLU brass wrote a letter to the editor arguing in self defense that the act was not so bad because it established "standards for surveillance of Americans." This sounds like a phrase out of the 1950s.

The CIA, like the elephant of proverb, can resemble a tree, a snake, a wall, or a rope, depending on where the blind take hold of it. The CIA's five-year push for an Official Secrets Act of its own appears to be heading for a conclusion that will leave the American public fumbling in the dark, groping for the truth.

As Lieutenant Ramon Vargas said in Orson Welles's *Touch of Evil*, "A policeman's job is only easy in a police state." In the future, maybe what we don't find out about the past will be good for us. □

NUCLEAR NIGHTMARES, An Investigation into Possible Wars,
by Nigel Calder. Viking Press, 168 pp., \$10.95.

Apocalypse soon

FRED KAPLAN

NUCLEAR WAR IS A HOT property again. Reports of its prospects are so commonplace that even the fairly inattentive newspaper reader can recite something about limited nuclear war strategies, civil defense, and the SS-18 and MX missiles. Yet something is missing from this "liveliest discussion of defense issues since the days of the Missile Gap," as some have described the present period. And that is a sense of the horror of it all.

The dread of mass destruction has been replaced by facile calculations of whether, after a "nuclear exchange," the "throw-weight" of the "residual Soviet ICBM force" will outweigh that of the United States by two or four times. One eminent defense analyst has publicly referred to the Poseidon warhead—more than twice as powerful as the bomb dropped on Hiroshima—as a "pinprick." Like a billion dollars in the federal budget, the concept of even a one-megaton bomb has simply lost all power to impress. Discussions of nuclear war have always, by nature, had an unreal air about them; these days, as a friend in the defense-consulting business likes to quip, we're moving out of surrealism and into abstract expressionism.

The value of Nigel Calder's *Nuclear Nightmares* is that he attempts, and quite successfully, to shock us out of this dreary dreamland, to expose us to just how real and even likely the possibility of nuclear war is becoming. After writing a book on the future of weaponry a dozen years ago, Calder dropped out of this bleak business, he tells us, and spent a jolly decade jotting on about the Milky Way, Einstein's theory of relativity, and

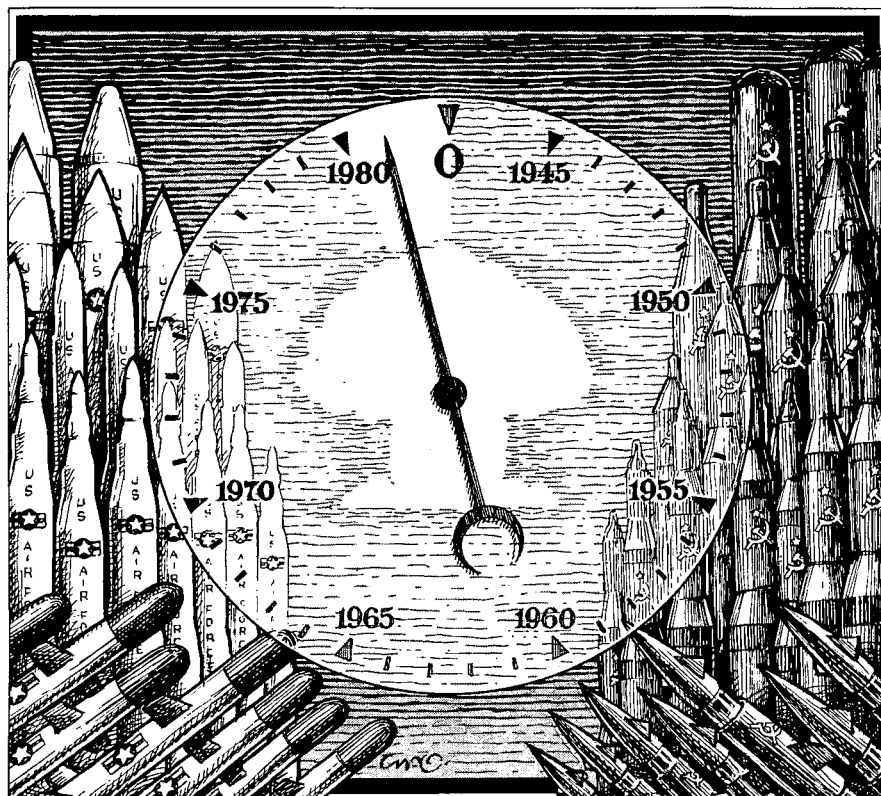
other figments of the finer side of scientific endeavor. He put the new MIRVed missiles and so forth out of his mind—an evasion that he likens to what biologists call "displacement activity," in which "perturbed animals engage in tasks irrelevant to their predicament."

When Calder reentered the macabre world of nuclear madness, the subject of his latest book, he was dismayed: "When I steeled myself at last to lift the stone again and see what was now crawling about underneath, it was worse than I expected. . . . The risk of a holocaust is growing with every year that passes, and whether we shall avoid it between now and 1990 is at least questionable."

A fine writer and popularizer of science, Calder has composed a very grim

book indeed. He guides us into the dark labyrinths through which the superpowers might very well wend their way to war and holocaust—caused, incidentally, not by insanity or crazed adventurism, but rather, by the inexorably deadly logic of nuclear deterrence in an age of frantic international tension and high technology.

His investigative journeys follow four possible pathways to a future nuclear war: (1) a conventional war in Europe escalating to nuclear conflagration; (2) regional conflicts between nuclear-armed countries, especially in the explosive Middle East, that draw in their rival superpower allies; (3) accidental war, caused by failures in, or fear for the vulnerability of, extremely sensitive "command-control-communication" systems; and (4) most discussed popularly these days, the counterforce option, the United States and the USSR poised with extremely accurate warheads that can destroy each other's nuclear weapons, a hair-trigger situation that can create, in times of enormous tension, positive incentives for preemptive nuclear attack.



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CALDER IS PARTICULARLY good, and fearless, in unfolding and confronting the virtually insoluble dilemmas and paradoxes involved in all this. For example, the United States, as leader of the NATO alliance, has declared that it might fire nuclear weapons first if NATO finds itself losing to the Warsaw Pact in a conventional war in Europe. Doing so would clearly risk both mass murder and suicide. However, as Calder points out, if we abrogate a first-use option, an insecure West Germany might very well begin arming itself with nuclear weapons—and a West

limited nuclear war—precise, pinpoint attacks and tit-for-tat exchanges along something like Herman Kahn's forty-four-step "escalation ladder"—is at best surreal, and, on a more practical level, might heighten the likelihood of nuclear war by deceptively making it appear more controllable and less destructive. On the other hand, it would be fatuous to devise a strategy of responding to Soviet attack by destroying Soviet cities. To seek to kill more than 100 million civilians deliberately is appallingly bloodthirsty, satisfies no legitimate strategic objective, and would only ensure

troy satellites relevant to nuclear war as well. A test-ban treaty would not slow down much of significance in weapons development, most of which occurs in a laboratory. The missile-test quota, devised by Stanford physicist Sidney Drell, is a notion that Harold Brown pursued in the early days of the SALT II negotiations, but the Russians turned it down flatly.

Meanwhile, the dangers mount—due not merely to improved technology and increased global tension, but also to changes in leadership: "The post-1945 generation is now taking over the reins of power—individuals who did not experience the shock of Hiroshima and regard nuclear weapons as normal gadgets." Calder endorses the suggestion of some scientists that "a multimegaton weapon should be exploded in the atmosphere every few years in front of the assembled leaders of the world's nations, so that they will stand in awe of its incomprehensible heat and force. Even at a safe distance of thirty miles or more, they will feel it like the opening of an oven door, or the gates of hell." This may be a tad melodramatic, and the radioactive fallout is something to consider. Then again, if such a demonstration would sober the thinking of some of the nuttier "strategists" who stand on the brink of (at least advisory) power in this country and perhaps others, then who knows, maybe a little extra strontium-90 in the air is an acceptable price to pay.

The idea of limited nuclear war—pinpoint attacks and tit-for-tat exchanges—is at best surreal.

German nuclear weapons program is certainly "one of the very few imaginable events that could set the Soviet tanks rolling into Western Europe and into the nuclear war promised by NATO."

The dilemmas enmeshed in command-control networks are among the most overlooked, but also the most vital, in the nuclear game. The sensors and satellites that would detect a Soviet attack—and through which the President would order the firing of nuclear weapons in response—are very vulnerable. Therefore:

As long as nations seek to keep themselves safe behind early-warning satellites and radars, they will be hypersensitive about the survival of the instruments and their associated communication links. As a result, any actual or imagined interference with these 'fences' may itself provoke war, thus compromising the very safety they are designed to guard. As both of the superpowers are busy developing techniques for assailing each other's satellites and radars, this esoteric cause of war becomes progressively more plausible.

The more emphatically the system prevents anyone from firing off nuclear weapons without proper authority, the more tempting it is for an attacker to launch a 'decapitating' strike at headquarters and communications links that may leave the victim nation powerless to respond. . . . Conversely, the more initiative you allow your missile officers in their last-resort orders, the greater the chance of a mistaken launch in peacetime.

There is also the dilemma of how to target nuclear weapons. Planning for

the prompt massacre of roughly 100 million Americans in return.

Finally, the "worst paradox of all," Calder notes, "is that the more clearly the leaders of the superpowers perceive the swarming dangers, the greater is the peril, because the leaders become more nervous. They may then be either more trigger-happy, which is directly dangerous, or paralyzed with fear, which is indirectly dangerous because it encourages adventures by the other side." Perspicacity, in other words, is no guaranteed solution.

In his concluding chapter, entitled "Looking for the Exit," Calder regretfully reports that the understanding he has sought to achieve in this book "is clouded as soon as diagnosis gives way to advocacy." His "feelings are those of a busybody who has shouted 'Fire!' in the theater and now cannot point to the safe way out." A declaration of no-first-use—which probably would be disbelieved—is unwise for reasons spelled out earlier. Disarmament negotiations have thus far proved almost fraudulent. He comes up with only three ideas: a ban on deployment of antisatellite systems, a comprehensive test-ban treaty, and a quota on the number of missile tests each nation may conduct per year, which would slow down the introduction of new missiles and the modification of old ones.

These ideas are sound, but unlikely to be implemented. As long as both sides rely on satellites for battlefield communication in conventional wars, they will attempt to destroy all of each other's satellites, and they could therefore des-

THIS BOOK IS A WORTHY primer, but it is just a primer.

Those who know a lot about the topic will find nothing new, and should even detect several errors. Calder draws too sharp a contrast between Soviet and American nuclear strategy, painting the former as concentrating on destruction of military targets and the latter as going after massive destruction of cities. He seems unaware that for nearly twenty years U.S. strategy has been to focus chiefly on military targets—and even to attempt to avoid "city busting," at least for the first round of a nuclear war. Indeed, the list of limited nuclear options that Calder associates with Harold Brown's "countervailing strategy" of 1979 is virtually identical to the list of options spelled out in the revised war plan—the guidance for what was called SIOP 63—that Robert McNamara's staff composed in 1961.

What is more serious is that Calder tends to believe those who wax poetic on the wonders of modern missile guidance technology, and so occasionally over-

states his case. Missiles are becoming more accurate, but a wide range of uncertainties remains—gravitational pulls, atmospheric variations, even such mundanities as wind and rain. Such factors will certainly, in real-life nuclear warfare, push or pull a missile farther away from its intended target than many like to predict—especially a missile that, for the first time ever, is launched on a north-south, not an east-west axis.

This unanticipated error involves an even greater danger than Calder recognizes. If political leaders *believe* that these missiles do work right on cue, and if in fact they do not work so smoothly—if warheads aimed, say, to destroy an airfield, destroy a nearby power plant instead—then a nuclear war would get out of hand much more quickly than it would otherwise. If A intends to limit its attack to B's military targets, but B sees its nonmilitary targets destroyed, all efforts at limitation will be abandoned.

Calder commits numerous factual errors as well. The Soviets have 6300 long-range nuclear warheads, not 4500. Their ss-20 missile is not "painfully accurate" (unless that's how you describe a 1200-foot average miss-distance) and constitutes no dramatic shift in the balance of power in Europe. The "essence of NATO strategy for 25 years" has not been "to make nuclear war seem as probable as can be"; if it were, why are we spending half of our enormous defense budget on nonnuclear arms primarily for European deployment? It is not true that "putting a hundred warheads in the nose cone of one large missile" is no problem; the warheads would have to be very small, and each successive warhead would be somewhat less accurate than the preceding one, meaning that the hundredth might not even hit the right city, much less the right missile silo or factory. The United States halted ABM deployment not for reasons of strategic doctrine, but because it was clear that Soviet offensive countermeasures would always be cheaper and more practical than American defensive responses. I could go on.

The book suffers from these conceptual misunderstandings and factual errors. Because of these shortcomings, *Nuclear Nightmares* falls considerably short of being the minor classic it might have been. Still, it is a commendable work. In an age of nuclear nonchalance, Nigel Calder has written a frightening book and a valuable one, an eloquent, humanely outraged, layman's guide to the ultimate dangers that, with increasing likelihood, lie ahead. □

ON MENCKEN: Eight New Essays Written in Honor of the Centenary of the Birth of H. L. Mencken, edited by John Dorsey. Alfred A. Knopf, 313 pp., \$15.00.

A CHOICE OF DAYS, by H. L. Mencken, selected and with an introduction by Edward L. Golligan. Alfred A. Knopf, 337 pp., \$12.95.

Tory anarchist

JEFF RIGGENBACH

ACCORDING TO THE HISTORICAL record, Henry Louis Mencken of Baltimore, journalist, author, editor, philologist, and critic of American life, died in his sleep during the night of January 29, 1956—only a couple of months shy, as this goes to press, of an exact quarter-century ago. At the time of Mencken's death, his old friend Harry Lyndenberg, director of the New York Public Library, saw the truth of the matter, and called it as he saw it. "Well, he's gone," Lyndenberg said, then caught himself: "No, not so. His heart stopped pumping, but Henry Mencken will be alive and pulsing for the literate long after the multitude has been dead and buried."

The publication and resounding critical reception accorded these two books are proof that Lyndenberg was right. Mencken lives. *On Mencken* and *A Choice of Days* are not memorial volumes, but birthday tributes to a vital, still provocative and influential writer who is only now wrapping up the first hundred years of his busy and ongoing life.

On Mencken brings together eight essayists, each of whom discusses some one facet of the many faceted HLM, then illustrates his points with various excerpts from Mencken's voluminous writings. William Manchester draws a highly personal portrait of Mencken's last years at the *Baltimore Sun*, then treats us to Mencken's own memoirs of how he got into the newspaper business in the first place, how he covered the great Baltimore fire of 1904, and how he narrowly (thanks in part to the U.S. Constitution) avoided embarking on a political career in 1912. Huntington Cairns pictures Mencken as a citizen—and boost-

er—of Baltimore, then reprints two of HLM's most atmospheric appreciations of that city. Alistair Cooke discourses on Mencken's famous style, how it developed in the course of his long career as a writer, and the relation it bore to his theories about "the American language" and how that language differed from English.

Charles A. Fecher attempts to isolate the fundamental ideas which underlay Mencken's writing and to convey "the almost complete consistency of his thought, the way that those 'fundamental ideas' tie in with each other and flow from one another with inexorable logic"; he offers in evidence a collection of characteristic Mencken utterances on metaphysics, religion, morality, and political theory. Malcolm Moos discusses Mencken's views on various political issues, then illustrates his claims with apposite selections from HLM's prodigious writings on politics. (The gist of his views on the subject can be gathered from his statement that "Every decent man is ashamed of the government he lives under.")

William H. Nolte describes Mencken's fifteen years as a literary critic and



the enormous impact he had upon the subsequent development of American literature, then presents five of the most influential and telling of Mencken's purely literary essays. Carl Bode reminds us that Mencken wrote around 100,000 letters during his career, then produces 22 never before published. Alfred A. Knopf, Mencken's publisher for four decades, reminisces about his long personal relationship with HLM and relates anecdotes about Mencken's role during the twenties, thirties, and forties as an unpaid member of the Knopf editorial board. And *Baltimore Sun* reporter John Dorsey rounds off the lot with a biographical sketch and a stab at summing up the man as a whole.

And it is also as a whole that *On Mencken* works. It assembles an unusually sensitive and literate group of contributors and generously interlards their

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assessments with extracts from Mencken's own articles and essays; and the result is a vivid, multifaceted portrait, a splendid one-volume introduction to its protean subject. Unfortunately, one of the reasons it works so well is that serious errors and misinterpretations in one essay are generally corrected in another, rather than simply being left to stand—which raises the question of why they weren't taken out in the first place.

JOHAN DORSEY, FOR EXAMPLE, announces in his generally very fine introduction that Mencken was “a self-styled libertarian” in his politics who “found himself on the side of the liberals with regard to the social issues of the 1920s, but allied to the conservatives in his opposition to the New Deal”—in each case because of “his dislike of government interference in the life of the citizen.” Then he offers the following counsel to latter-day conservatives who like to think of Mencken as one of their own and like to attribute his renewed popularity to an otherwise invisible “resurgence” of conservative ideas:

It has been noted that the rigid consistency with which [Mencken] applied his ideas as one set of issues gave way to another altered his political bedfellows. It should be remembered that he was thought a liberal in the conservative 1920s and a conservative in the liberal 1930s. If the nation's center of gravity is indeed shifting to the right, Mencken the immovable object may appear to be farther to the left the farther right we go. To cite but one modern example, Mencken's hatred of change would undoubtedly put him on the side of the preservationists, who are, by and large, liberals.

Hatred of change? H. L. Mencken? The writer who devoted his entire career to demanding that nearly everything be changed? Who could see no value in the way we govern ourselves, the way we think about American literature, the way we come by our moral and philosophical and religious and cultural beliefs? H. L. Mencken afraid of change? The idea is no sooner broached than it stands exposed as a fraud. Yet here it is again, in William Manchester's “Mencken in Person”: “He feared change and battled it to the end.” Manchester defends this claim by telling us that Mencken lived almost all his life in the same house and seldom changed his habits.

But what of that? He did not leave the famous Hollins Street house unchanged in all those years. On the contrary, we learn from Huntington Cairns that he

demolished the hand-carpen-tered summer house in his back yard (described by Mencken himself in *A Choice of Days*) in order to add onto the house an “out-door sleeping porch” of the sort that became a fad during the thirties. Even more to the point, Mencken's decision to remain in Baltimore all his life is itself testimony to his acceptance of constant change. As Cairns observes, “In the decades after World War I, Baltimore changed—and not always for the better—to the point where there seemed at times little resemblance to the town of Mencken's youth. Nevertheless, he made the adjustment without difficulty.”

Mencken had no use for rightist warmongering or leftist attacks on the rights of property.

Of course he did. For Mencken, it was the ever-changing spectacle of human society in all its folly and all its absurdity which gave life its zest, which made life worth living. He did not hate change, yet he would surely not be siding with liberals today as they try to preserve the welfare-warfare state that they developed so lovingly out of the New Deal Mencken so hated. (Of the New Deal he stated that it “began, like the Salvation Army, by promising to save humanity. It ended, again like the Salvation Army, by running flophouses and disturbing the peace.”)

Though it is true that, as Dorsey puts it, “Mencken may appear to be farther to the left the farther right we go,” the reason is not that Mencken disliked change. It is rather that he had no more use for the Right's warmongering and attempts to legislate morality than he had for the Left's violations of property rights. He opposed Prohibition, the New Deal, and U.S. participation in both world wars. Today he would oppose marijuana laws, our welfare bureaucracy, and the reckless foreign policy which made the Republican and Democratic candidates for the presidency in 1980 so frighteningly indistinguishable.

A much clearer synopsis of Mencken's politics is to be found in Malcolm Moos's essay on “Mencken, Politics, and Politicians”:

Mencken was a classical liberal in the eighteenth-century mold who believed sincerely that he governs best who governs least. Mencken was not at all inconsistent, from his own point of view, in thinking that a government which tries to structure the economy along Keynesian lines is as evil as a government which tries to ban books or prohibit the teachings of evolution. . . . “I believe in only one thing, and that is human liberty,” he wrote. “I believe that all government is evil, and that all government must make war on liberty, and that the democratic form is as bad as other forms.” . . . He was a “consistent libertarian” as Murray Rothbard of *The Economist* [sic] reminds us, and he was immovably so.

There are other, slighter errors and misapprehensions committed and then corrected in *On Mencken*. Charles Fecher tells us that Mencken “was quite open to experimentation and new forms in the novel, but utterly closed to the same kind of development in poetry”—only to be succeeded by William H. Nolte reminding us that Edgar Lee Masters and Ezra Pound were among the poets HLM championed in the *Smart Set*, and Alfred A. Knopf recalling regretfully his failure to take Mencken's advice and publish William Carlos Williams. But by and large, *On Mencken* is a delight.

ACHOICE OF DAYS, HOWEVER, is more than a delight; it is, like the three volumes of *The Days of H. L. Mencken* from which it is so sensitively and intelligently abridged, a great American autobiography, written by America's foremost man of letters at the height of his powers. It is the story of a little boy born a century ago in Baltimore who got a toy printing press for Christmas when he was seven and read Mark Twain's *Huckleberry Finn* when he was eight and grew up to be, as Edmund Wilson called him, “without question, since Poe, our greatest practicing literary journalist,” and, as Walter Lippmann called him in 1926, “the most powerful personal influence on this whole generation of educated people.”

At the time of Mencken's death in 1956, Joseph Wood Krutch wrote that “the time will come when it will be generally recognized, as by a few it already is, that Mencken's was the best prose written in America during the Twentieth Century. Those who deny that fact had better confine themselves to direct attack. They will be hard put to find a rival claimant.” Nearly twenty-five years later, as these two books so admirably demonstrate, the opposition is on the defensive and fading fast. Mencken lives. □

A TALENT TO DECEIVE: An Appreciation of Agatha Christie, by Robert Barnard. Dodd, Mead, 213 pp., \$10.00.

Puzzle maker

JULIAN SYMONS

THERE IS A MISSING CHAPTER in the sociology of literary criticism, one that would consider the works of best-selling crime and thriller writers in terms of their audiences rather than of their literary skills. Here are a dozen authors of recent best-sellers in the genre: Peter Cheyney, Agatha Christie, Len Deighton, Frederick Forsyth, Dick Francis, Erle Stanley Gardner, John Le Carré, Robert Ludlum, Dorothy L. Sayers, Mickey Spillane, Edgar Wallace, Dennis Wheatley. What joins these names and what separates them? Why are Forsyth's sales so much bigger than those of Eric Ambler, whom most people (very likely including Forsyth) would regard as a better writer?

The answers are to be found in the readers rather than the writing. There would certainly be a readership in common for Christie and Sayers, and it would be one that strangely enough might include Wallace. Those who open a book by Cheyney, Forsyth, Francis, or Ludlum are looking for what may vaguely be called action or excitement rather than detection, and if they wish to add a sadistic element they will read Spillane. A more intellectual and much more complex approach to the tale of action is found in Deighton and Le Carré. Wheatley with his emphasis on Satanism and the occult, and Gardner with his intricate plotting and concentration on legal problems, tap others in this immense and varied audience.

Of course these categories are not so mutually exclusive as such a rough and ready division may make them appear. I enjoy Christie, Francis, Deighton, Le Carré; find Forsyth, Ludlum, and Wheatley unreadable; and have varied

reactions to the rest. Few readers in the genre stick to a single category. Yet it remains true that real devotees of Christie and Sayers do not much care for violent thrillers, that a typical reader of Forsyth or Ludlum will find Poirot or Lord Peter very slow going, and that your true Wheatley occultist may well find that none of the other writers comes within his black magical circle. There are further interesting distinctions. I have included Cheyney as an example of an immensely popular writer whose vogue collapsed after his death. In the forties his sales were enormous. In 1944 he published an audited sales figure of 1.5 million copies for the year and two years later had added another million. Not long after his death in 1951 the sales figures withered, and they have had no second blooming.

By contrast, four years after Agatha Christie's death her sales are as high as ever, new editions are constantly called for, and a third major film is being made from one of the books. The vast *Bedside, Bathtub and Armchair Companion* to her works is soon to be joined by a coffee-table book about the Christie book covers by Tom Adams, and an Agatha Christie Who's Who, "a definitive, completely cross-referenced biographical dictionary to the Christie canon." Cheyney perished because the sadistic violence that attracted many readers to his books (his Lemmy Caution was the first "good" character in crime fiction to torture for pleasure) was far transcended by the brutality of Spillane's Mike Hammer and others. Christie, however, is equally old-fashioned in her very different way. Why, then, does she survive and triumph?

Robert Barnard's "appreciation" is a crisply written survey of the works, particularly good in its detailed examination of what he calls three prize specimens: *Murder For Christmas*, *Murder in Retrospect*, and *A Murder is Announced*. These are not my own favorites, but Barnard shows very persuasively the skill with which the stories are plotted and the clues placed. There is a useful list of the books, with brief and by no means starry-eyed comments. "There are several fruitier candidates for the title of 'worst Christie,'" he says about *The Mystery of the Blue Train*; of *N or M* he remarks that it is "less racist than the earlier thrillers but no more convincing." A Christie novice wanting to know which books to read and which to avoid will find this book an indispensable guide. Barnard takes an ingenious approach to the question of literary merit,

putting the case for the prosecution ("trivial, dated, class-bound") and the defense (readers enjoy filling in her stereotyped Anglo-Indians, country squires, rural clergymen, as individual characters). He doesn't concern himself, and there is no reason why he should, with the question of what her readers are like, or precisely what attracts them to the books.

MY OWN VIEWS, OR AS they might more modestly be called, guesses, are that several factors operate. I think that the Christie readership has always been predominantly female, by about two to one, and middle class by about the same ratio. Few feminists or radicals are likely to read her. And the attractions are different in the United States and Britain. For American readers Christie is the archetypal British detective story writer, with her vaguely sketched village or town settings and her outline of a society that remains hierarchical and characters that are basically unchanging—however much Miss Marple says that things have altered.

American readers may know that Britain is not really like this, but still they wish it were, and they identify Christie with traditional British values.

For American readers, Agatha Christie is the archetype of the British detective story writer.

British devotees, on the other hand, know that Christie country has never existed in their lifetimes; that her people and places are a fairy tale of Edwardian England, when gentlemen had no need to work, servants were plentiful and always smiling, and girls including Agatha Christie "went out to dances and met all kinds of young men," as she says in her autobiography. This world she transplanted into every succeeding decade from the twenties onward. Even when she made a formal attempt to be up-to-date after World War II, that never-never world was the one in which her characters really moved. For contemporary British readers her books are as much period pieces as the Holmes sto-

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ries. It is part of their charm.

Another part of the answer to the question about Christie's survival is that there is no need for specialized knowledge to read the books. No Agatha Christie story depends on ballistics details, blood groups, identification of hair follicles, weight stresses, or any other bits of modern science with one exception—her use of poisons. Among the fifty-odd poisonings in the stories are such sophisticated killers as coniine, the toxic principle of hemlock (*Murder in Retrospect*), and gelsemium, a mixture of alkaloids derived from yellow jasmine (*The Big Four*). But even this sophistication is more apparent than real. You don't need to know about these poisons to identify the guilty party, and often the knowledge won't help you. Christie clues are always verbal or visual tricks, and it is these that must be spotted. If you don't spot them—well, most readers are happy to be carried along on the tide of smooth commonplace dialogue that has nothing in it to disturb the emotions or enliven the intellect. What the stories offer, especially those that involve Poirot or Miss Marple, are the pleasures of the familiar. The addict sinks into them as into a warm bath.

Yet intellectual sloth and a liking for self-indulgent fairy tales are not quite enough to explain the permanence of Christie. If it is true, as Robert Graves said, that her English was schoolgirlish, her situations artificial, and her detail often faulty, such adverse comments do not touch her prime virtue, which is that of plot. In that single aspect of the crime story, this country Scheherazade showed more cleverness and more variety than any of her predecessors. It is possible to read a Christie story more than once with pleasure because while remembering the plot's basic elements, one has forgotten just how the trick was done.

Her characterization hardly existed, her mind was utterly commonplace; as a story-teller she could not be mentioned in the same breath with Conan Doyle or Wilkie Collins and was inferior to a dozen of her contemporaries. Yet as a maker of puzzles she was superior to them all, and the propounding and solving of puzzles has a lasting fascination for the human mind. Not for all human minds, obviously, but there are enough addicts of such verbal and visual puzzles (this reviewer is to be counted among them) to keep Agatha Christie's best books, her most cunningly deceptive problems, popular in any foreseeable future.

F I L M

**STARDUST MEMORIES, directed
by Woody Allen.**

All that bile

STEPHEN HARVEY

THE MOST INSISTENT motif of Woody Allen's egregiously autobiographical *Stardust Memories* is his vision of the sick symbiosis linking the revered popular artist and his public, the critics included. As Allen sees it, the movie performer-cum-creator is a besieged figure, his audience almost entirely a fan club for the fatuous. Those who admire him unquestioningly are cretinous sycophants, so defined by their very adoration; the few who scoff at his ever-deepening ambitions are philistines and worse—pseudointellectuals who, cinematically speaking, probably couldn't get it up themselves. They're a collective pain, which is why their idol feels compelled to whine that all he wants is to be left alone, alone, do you hear!—a message which *Stardust Memories* beams on screens all over America.

Poor Woody. Imagine his dismay when that first wave of printed panegyrics greeted *Stardust Memories*—all those suckers once more falling all over themselves to extol his virtuosity, even when the joke is at their expense. On this particular point, he may actually have something. The unstinting reverence in which Allen is held in some quarters is a triumph of deductive reasoning: Since he is patently a man of prodigious gifts, his movies must reflect his greatness, even the ones that aren't really very good. Of course, his treatment of Allen-agnostics is likewise withering—those impotent, carping wretches who bitch that his movies have turned artsy and, what's worse, they aren't even funny any more. All of which is a rather highhanded way of forestalling the more complicated objections real-life carpers might

raise, before the ingrates have a chance to express themselves.

What's wrong with *Stardust Memories* is not its thrust at high seriousness per se, and as far as its laugh quotient is concerned, the movie is a riot whenever Allen chooses to make it so. (For that matter, *Interiors* was positively uproarious, depending on your point of view.) The really ghastly thing about *Stardust Memories* is the way it sums up everything that is overripe and inbred in what has passed for serious American movie-making in recent times. The real hazard facing a director-as-public-celebrity is not that he is forced to live the existence this movie describes, but rather that such an existence inspires him to make a movie like *Stardust Memories*. Insulated from exposure to any universe in which he is not at the center, he focuses increasingly on himself—his creative life itself becomes the subject of his work. (And why not, since it's also the focus of everybody in his orbit, and they're not going to tell him to broaden his horizons.) He's got to prove his genius by transcending his past achievements—usually by repudiating the unpretentious genre movies that gave him his reputation in the first place. And what better way to do that than to ape the great European *cinéaste*, Ingmar Fellini?

It's ironic that just like Bob Fosse's *All That Jazz*, Woody Allen's most "highly personal" movie looks and feels like a lumbering imitation of excerpts from various European *chefs-d'oeuvre*. Photographed in bleached-out black and white (so "surreal"), *Stardust Memories* is populated by a gaggle of grotesques made even more so by the fisheye lens—representing the protagonist's subjective point of view—through which they pass. When this parade of braying, grasping, sideshow figures isn't reminding you of the dehumanized extras from a Fellini movie, the images conjur up Diane Arbus blowups set in motion. Like the Mastroianni figure in *8½*, Woody Allen/Sandy Bates is a film maker in the throes of a creative crisis—he doesn't want to make sweet, funny movies any more; his crass entourage of professional leeches are screeching contradictory advice from the sidelines; even his tangled personal liaisons are getting mucked up by his professional *loris*. No wonder then,

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that the product of this confusion is a film in which Bates's fantasies, nightmares, actual experiences, and fictional creations are all dissolved into a thick Fellinian ragout, and the individual ingredients are indistinguishable.

THE OSTENSIBLE LAUNCHING pad for all these recollections and reflections is a personal appearance Bates makes at a weekend seminar devoted to his work—rather like the sort of thing Judith Crist organizes. (This cinephile is played by the unctuous, aggressive actress who sold used cars in *Willie and Phil*—Ms. Crist herself appears in a tiny cameo elsewhere.) On stage he affably fields the buffs' queries with carefully composed one-liners. Between sets he's trying to get on with his life and the editing of his new movie while the assembled hordes thrust scripts, glossies, autograph books, and their bodies at him.

As with Fosse's movie à clef, you don't have to know much about Allen's personal history and how he's used it here to find this movie an exercise in self-aggrandizement, but it helps. Why is it that movies that start with a show-biz figure's merciless self-examination end up by being so contemptuous of everyone else? Periodically in this film Bates's financiers exhort him to change the ending of his symbolic new work from a meeting of low-lives (naturally including star Bates) and high-livers in a garbage landfill purgatory into something upbeat, like a reunion in a dry-ice Jazz Heaven. Impersonating the magnates are none other than real life United Artists executives—who in fact have always given Allen the kind of license any real-life film maker would envy.

This may be the first Allen movie in ages in which Diane Keaton doesn't figure on-screen, but never fear; her stand-in is Charlotte Rampling, all anxious, angular chic. The parallels are veiled but obvious—in flashback, Dorrie is revealed as a bit player turned costar and girlfriend, whose more madcap moments with Bates blend into the on-screen hijinks. Usually, however, she's nothing like the fetching sprite of Bates's movies. As described during a tête à tête between the hero and Tony Roberts (appropriately enough, playing Bates's perennial straight-man), she's fascinating in her nutsy phases when she's a bad girl and hasn't taken her Librium, and boring the rest of the time. Dorrie's big virtuoso sequence in *Stardust Memories* is a series of jump-cut encounters while she's convalescing from a mental break-

down and being alternately hostile, narcissistic, infantile, and pathetic. Whatever scars Keaton may have left Allen with, he's certainly paid her back with this movie—and the casting of an acrid, desiccated presence like Rampling to impersonate her is only the half of it.

In the present tense, Allen's autobiographical hero is torn between Isabelle (Marie-Christine Barrault), blonde, sunny, and deliciously French, and Daisy (Jessica Harper), a concert violinist whose sunglass-barred gaze belies her emotional fragility. He's rather less rancorous toward them, but both are such fragmentary apparitions in this movie that their only resonance comes from whatever personal appeal the two actresses playing the roles can impart. How different they all are from Annie Hall and the female characters who populated *Manhattan*. Then it was clear that the Allen character's hang-ups and self-absorption thwarted his rapport with the complex women in his life. *Stardust Memories* takes this one fatal step further—these lovers don't seem to exist at all except when they cross his line of vision. At one point, Daisy comments on Bates's propensity for pursuing women with psychological disaster written all over them. A lot more interesting than Allen's poignant stab at self-revelation is the question of why these ladies are so irresistibly drawn to the guy. In a movie that presumes to examine the price and perks of fame, Allen never even hints at

the possibility that maybe, just maybe, all these delectable women warm to him for not only his charm, wit, and ardor.

Yet *Stardust Memories* reserves much of its scorn for those anonymous slobs in the audience. From groupies to passers-by, and even a passel of aliens from outer space, they stifle his artistry by clamoring for more movies like his "early, funny ones." (Not quite an accurate assessment in any case, since *Manhattan* and *Annie Hall* were a great deal more popular than *Sleeper* or *Bananas*. If it's *Interiors* he's being defensive about, I think he got away with murder on that one considering its generally respectful reviews, Oscar nominations, and the fact that it did at least three times better at the box office than any genuine Ingmar Bergman movie.) The clamoring mob, with its sheer star-struck craziness, even harbors a potential assassin. When Fosse tearfully envisioned his demise in *All That Jazz*, the culprit was simply too many years of living in the fast lane, but in Allen's vision of same, a demented fan is the perpetrator.

What offends Allen the most, however, is our cheaply corny sensibility. In the film-within-film episodes, he trots out pallid replicas of charming bits from *Annie Hall*, thus trashing our memories of the real thing; he implies that his public was foolish for ever responding to this facile junk. Before the real conclusion of *Stardust Memories*, which spotlights poor Woody, the Little Tramp,



alone in his screening room after the revels have ended, he tacks on an arbitrary clinch between Bates and Isabelle for us dolts who insist on happy endings.

Time was when Allen encased his persona in movies whose scope was broader than just an examination of the self—a seriocomic romance in *Annie Hall*; an entire, if rarefied, subculture in

Manhattan. In more ways than one, *Stardust Memories* reveals what the glory and achievement of his past work have done to him—now that he's way up there on the summit he's still a mess, but he certainly doesn't deserve to be encircled by the likes of us down below. On the evidence of this movie, I'm inclined to agree with him. □

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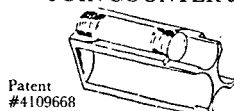
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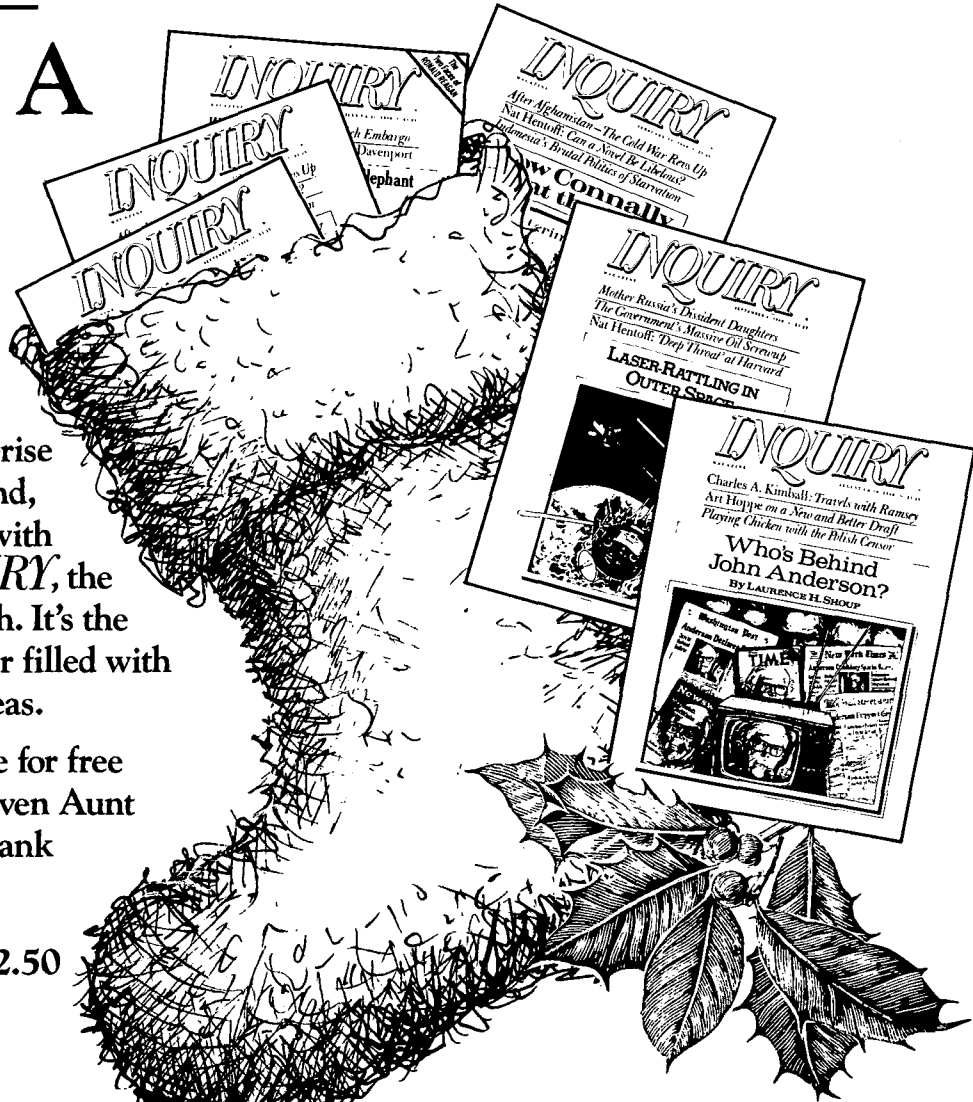


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